UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)
[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended December 31, 1998

[_] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____

Commission file number: 0-26642

MYRIAD GENETICS, INC.
(Exact name of registrant as specified in its charter)

Delaware	87-0494517
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
320 Wakara Way, Salt Lake City, UT	84108
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (801) 584-3600

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

As of February 10, 1999, the registrant had 9,411,888 shares of common stock outstanding.

MYRIAD GENETICS, INC.

INDEX TO FORM 10-Q

MYRIAD GENETICS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

	Dec. 31, 1998 (Unaudited)	June 30, 1998
Assets		
Current assets:		
Cash and cash equivalents	$ 17,302,845	$ 14,595,034
Marketable investment securities	4,692,829	16,267,156
Prepaid expenses	722,049	266,679
Trade accounts receivables, less allowance for doubtful accounts of $87,000 at December 31, 1998, $66,000 at June 30, 1998		
Non-trade receivables	80,251	117,053
Total current assets	23,581,461	31,717,249
Equipment and leasehold improvements:		
Equipment	12,096,432	16,049,721
Leasehold improvements	2,863,618	2,288,241
	14,960,050	18,337,962
Less accumulated depreciation and amortization	5,757,091	5,902,926
Net equipment and leasehold improvements	9,202,959	12,435,036
Long-term marketable investment securities	25,415,036	22,247,303
Other assets	908,010	992,384
	$ 59,107,466	$ 67,391,972
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 3,241,081	$ 5,121,279
Accrued liabilities	1,672,508	1,938,722
Deferred revenue	1,734,686	2,722,115
Current portion of notes payable	--	128,843
Total current liabilities	6,648,275	9,910,959
Stockholders' equity		
Common stock, $0.01 par value, 15,000,000 shares authorized; issued and outstanding 9,411,888 at December 31, 1998 and 9,337,501 at June 30, 1998	94,119	93,375
Additional paid-in capital	92,286,329	91,907,034
Fair value adjustment on available-for-sale marketable investment	(34,530)	1,477
Deferred compensation	(389,539)	(576,446)
Accumulated deficit	(39,497,188)	(33,944,427)
Net stockholders' equity	52,459,191	57,481,013
	$ 59,107,466	$ 67,391,972

See accompanying notes to condensed consolidated financial statements.

MYRIAD GENETICS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended		Six Months Ended	
	Dec. 31, 1998 (Unaudited)	Dec. 31, 1997 (Unaudited)	Dec. 31, 1998 (Unaudited)	Dec. 31, 1997 (Unaudited)
Revenues:				
Research revenue	$ 4,536,512	$ 4,563,890	$ 9,183,028	$ 10,078,932
Genetic testing revenue	1,210,959	524,918	2,124,429	934,463
Total revenues	5,747,471	5,088,808	11,307,457	11,013,395
Expenses:				
Research and development expense	5,681,806	5,005,520	11,499,295	11,206,159
Selling, general and administrative expense	2,760,301	2,869,428	5,315,717	5,006,656
Genetic testing cost of revenue	778,936	305,587	1,381,808	541,585
Total costs and expenses	9,221,043	8,180,535	18,196,820	16,754,400
Operating loss	(3,473,572)	(3,091,727)	(6,889,363)	(5,741,005)
Other income (expense):				
Interest income	579,471	836,555	1,275,690	1,701,359
Interest expense	(3,908)	(9,449)	(6,279)	(20,897)
Gain on sale of assets	47,750	-	67,191	121
	623,313	827,106	1,336,602	1,680,583
Net loss	($2,850,259)	($2,264,621)	($5,552,761)	($4,060,422)
Basic and diluted loss per share	($0.30)	($0.24)	($0.59)	($0.44)
Basic and diluted weighted average shares outstanding	9,391,844	9,279,892	9,367,393	9,259,025

See accompanying notes to condensed consolidated financial statements.

MYRIAD GENETICS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three Months Ended		Six Months Ended	
	Dec. 31, 1998 (Unaudited)	Dec. 31, 1997 (Unaudited)	Dec. 31, 1998 (Unaudited)	Dec. 31, 1997 (Unaudited)
Cash flows from operating activities:				
Net loss	($2,850,259)	($2,264,621)	($5,552,761)	($4,060,422)
Adjustments to reconcile net loss to net cash used in operating activities:				
Depreciation and amortization	909,487	804,825	1,750,082	1,573,941
Loss (gain) on sale of equipment	464	-	12,401	(121)
Bad debt expense	12,000	-	21,000	-
Increase in trade receivables	(125,543)	(125,687)	(333,159)	(128,997)
Decrease (increase) in non-trade receivables	4,858	(12,579)	36,800	85,797
Decrease (increase) in prepaid expenses	37,267	(115,844)	(455,370)	173,318
Decrease in other assets	42,187	-	84,375	-
Increase (decrease) in accounts payable and accrued expenses	(696,723)	301,124	(2,146,413)	627,618
Decrease in deferred revenue	(398,013)	(349,230)	(987,429)	(623,727)
Net cash used in operating activities	(3,064,275)	(1,762,012)	(7,570,474)	(2,352,593)
Cash flows from investing activities:				
Capital expenditures	(912,957)	(715,454)	(1,897,878)	(1,441,865)
Proceeds from sale of equipment	3,551,784	-	3,554,379	901
Net change in marketable investment securities	8,232,833	(1,122,564)	8,370,588	4,921,840
Net cash provided by (used in) investing activities	10,871,660	(1,838,018)	10,027,089	3,480,876
Cash flows from financing activities:				
Net payments of notes payable	(37,376)	(84,388)	(128,843)	(166,904)
Net proceeds from issuance of common stock	302,264	245,948	380,039	371,615
Net cash provided by financing activities	264,888	161,560	251,196	204,711
Net increase (decrease) in cash and cash equivalents	8,072,273	(3,438,470)	2,707,811	1,332,994
Cash and cash equivalents at beginning of period	9,230,572	20,447,227	14,595,034	15,675,763
Cash and cash equivalents at end of period	$17,302,845	$17,008,757	$17,302,845	$17,008,757

See accompanying notes to condensed consolidated financial statements.

MYRIAD GENETICS, INC. AND SUBSIDIARIES
NOTES TO CONDENSED UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

(1) Basis of Presentation

The accompanying condensed unaudited consolidated financial statements have been prepared by Myriad Genetics, Inc. (the "Company") in accordance with generally accepted accounting principles for interim financial information and pursuant to the applicable rules and regulations of the Securities and Exchange Commission. The condensed unaudited consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All material intercompany accounts and transactions have been eliminated in consolidation. In the opinion of management, the accompanying financial statements contain all adjustments (consisting of normal and recurring accruals) necessary to present fairly all financial statements. The financial statements herein should be read in conjunction with the Company's audited consolidated financial statements and notes thereto for the fiscal year ended June 30, 1998, included in the Company's Annual Report on Form 10-K for the year ended June 30, 1998. Operating results for the three and six month periods ended December 31, 1998 may not necessarily be indicative of the results to be expected for any other interim period or for the full year.

(2) Leases

On December 31, 1998, the Company entered into a Master Lease Agreement with General Electric Capital Corporation ("G.E. Capital"). Under this agreement, the Company sold equipment with a value, net of depreciation, of $3,551,784 ("net book value") to G.E. Capital. The Company received proceeds from G.E. Capital equal to the net book value of the equipment. The Company in turn will lease back the equipment from G.E. Capital over a 48 month period. Future minimum lease payments under this noncancelable operating lease as of December 31, 1998 are as follows:

Fiscal year ending:	
1999	$ 466,111
2000	932,221
2001	932,221
2002	932,221
2003	466,111
	$3,728,885

Under the Master Lease Agreement, the Company is subject to certain financial covenants. As of December 31, 1998, the Company was fully compliant.

(3) Collaborative Research Agreements

In October 1998, the Company entered into a five-year collaboration with Schering AG, Germany, to utilize the Company's protein interaction technology ("ProNet") for drug discovery and development. Under the agreement, the Company will have an option to co-promote all new therapeutic products in North America and receive 50 percent of the profits from North American sales of all new drugs discovered with ProNet. This collaboration may provide the Company with licensing fees, subscription fees, option payments and milestone fees with a value of up to $51,000,000.

In November 1998, the Company entered into a 15 month collaboration with Monsanto Company ("Monsanto"), to utilize ProNet for drug discovery and development. Under the agreement, Monsanto has the option to extend the research term for a period of twelve months. If the anticipated milestones, option payments, license fees and upfront payments are achieved, the value

of the agreement may reach up to $15,000,000. The Company will also receive royalties on worldwide sales of drugs resulting from the discovery of novel targets found through use of the ProNet/TM/ technology.

In December 1998, the Company announced an expansion of its collaborative research and development arrangement with Bayer. The expanded collaboration may provide the Company with additional research funding and potential milestone payments of up to $12,000,000. The Company is entitled to receive royalties from sales of therapeutic products sold by Bayer.

(4) Comprehensive Earnings (Loss)

The Company adopted Statement of Financial Accounting Standards No. 130 (SFAS 130), "Reporting Comprehensive Income", effective July 1, 1998. SFAS 130 establishes standards for reporting and displaying comprehensive earnings (loss) and its components in financial statements. The components of the Company's comprehensive earnings (loss) are as follows:

	Three Months Ended		Six Months Ended	
	Dec. 31, 1998 (unaudited)	Dec. 31, 1997 (unaudited)	Dec. 31, 1998 (unaudited)	Dec. 31, 1997 (unaudited)
Net loss	($2,850,259)	($2,264,621)	($5,552,761)	($4,060,422)
Unrealized gain (loss) on available-for-sale marketable investment securities	(129,085)	2,171	(36,007)	(3,120)
Comprehensive loss	($2,979,344)	($2,262,450)	($5,588,768)	($4,063,542)

(5) Net Loss Per Common and Common Equivalent Share

In February 1997, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 128, Earnings per Share (SFAS 128). SFAS 128 became effective for financial statements with interim and annual periods ending after December 15, 1997. Accordingly, the Company has adopted SFAS 128.

SFAS 128 establishes a different method of computing earnings (loss) per common and common-equivalent share than was previously required under the provisions of Accounting Principles Board Opinion No. 15. SFAS 128 requires the presentation of basic and diluted earnings (loss) per share. Basic is the amount of net income (loss) for the period available to each share of common stock outstanding during the reporting period. Diluted earnings per share is the amount of net income (loss) for the period available to each share of common stock outstanding during the reporting period and to each share that would have been outstanding assuming the issuance of common shares for all dilutive potential common shares outstanding during the period.

In calculating earnings (loss) per common and common-equivalent share the net income (loss) and the weighted average common and common-equivalent shares outstanding were the same for both the basic and diluted calculation.

As of December 31, 1998 and December 31, 1997, there were antidilutive common stock equivalents of 1,894,699 and 1,373,356, respectively. Accordingly, these common stock equivalents were not included in the computation of diluted earnings per share for the periods presented, but may be dilutive to future basic and diluted earnings per share.

MANAGEMENT'S DISCUSSION AND ANALYSIS
OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview

Since inception, the Company has devoted substantially all of its resources to maintaining its research and development programs, establishing and operating a genetic testing laboratory, and supporting collaborative research agreements. Revenues received by the Company primarily have been payments pursuant to collaborative research agreements and sales of genetic tests. The Company has been unprofitable since its inception and, for the quarter ended December 31, 1998, the Company had a net loss of $2,850,259 and as of December 31, 1998 had an accumulated deficit of $39,497,188.

In April 1995, the Company commenced a five-year collaborative research and development arrangement with Novartis Corporation ("Novartis"). This collaboration may provide the Company with an equity investment, research funding and potential milestone payments of up to $60,000,000. The Company is entitled to receive royalties from sales of therapeutic products sold by Novartis. The Company recognized $1,378,185 in revenue under this agreement for the quarter ended December 31, 1998.

In September 1995, the Company commenced a five-year collaborative research and development arrangement with Bayer Corporation ("Bayer"). This collaboration may provide the Company with an equity investment, research funding and potential milestone payments of up to $71,000,000. In November 1997 and again in December 1998, the Company announced expansions of its collaborative research and development arrangement with Bayer. The expanded collaboration may provide the Company with additional research funding and potential milestone payments of up to $54,000,000 and $12,000,000, respectively or a total potential of up to $137,000,000. The Company is entitled to receive royalties from sales of therapeutic products sold by Bayer. The Company recognized $2,341,660 in revenue under this agreement for the quarter ended December 31, 1998.

In October 1996, the Company announced the introduction of BRACAnalysis/TM/, a comprehensive BRCA1 and BRCA2 gene sequence analysis for susceptibility to breast and ovarian cancer. In January 1998, the Company announced the introduction of CardiaRisk/TM/ which may assist physicians both in (i) identifying which hypertensive patients are at a significantly increased risk of developing cardiovascular disease and (ii) identifying which patients are likely to respond to low salt diet therapy and antihypertensive drug therapy. The Company, through its wholly owned subsidiary Myriad Genetic Laboratories, Inc., recognized genetic testing revenues, primarily from BRACAnalysis/TM/, of $1,210,959 for the quarter ended December 31, 1998.

In April 1997, the Company commenced a three-year collaborative research and development arrangement with Schering Corporation ("Schering"). The three-year term may be extended for two additional one-year periods. This collaboration may provide the Company with an equity investment, license fees, research funding and potential milestone payments totalling up to $60,000,000. The Company is entitled to receive royalties from sales of therapeutic products sold by Schering. The Company recognized $750,000 in revenue under this agreement for the quarter ended December 31, 1998.

In October 1998, the Company entered into a five-year collaboration with Schering AG, Germany, to utilize the Company's protein interaction technology ("ProNet/TM/") for drug discovery and development. Under the agreement, the Company will have an option to co-promote all new therapeutic products in North America and receive 50 percent of the profits from North American sales of all new drugs discovered with ProNet/TM/. This collaboration may provide the Company with licensing fees, subscription fees, option payments and milestone fees with a value of up to $51,000,000.

In November 1998, the Company entered into a 15 month collaboration with Monsanto Company ("Monsanto"), to utilize ProNet/TM/ for drug discovery and development. Under the agreement, Monsanto has the option to extend the research term for a period of twelve months. If the anticipated milestones, option payments, license fees and upfront payments are achieved, the value of the agreement may reach up to $15,000,000. The Company will also receive royalties on worldwide sales of drugs resulting from the discovery of novel targets found through use of the ProNet/TM/

technology. The Company recognized $66,667 in revenue under this agreement for the quarter ended December 31, 1998.

The Company intends to enter into additional collaborative relationships to locate and sequence genes associated with other common diseases as well as continuing to fund internal research projects. There can be no assurance that the Company will be able to enter into additional collaborative relationships on terms acceptable to the Company. The Company expects to incur losses for at least the next several years, primarily due to expansion of its research and development programs, increased staffing costs and expansion of its facilities. Additionally, the Company expects to incur substantial sales, marketing and other expenses in connection with building its genetic testing business. The Company expects that losses will fluctuate from quarter to quarter and that such fluctuations may be substantial.

Results of Operations for the Three Months Ended December 31, 1998 and 1997

Research revenues for the quarter ended December 31, 1998 were $4,536,512 as compared to $4,563,890 for the same quarter of 1997. Greater research revenue recognized during the quarter ended December 31, 1997 versus the current quarter is the result of a $950,000 contract expansion payment from Bayer received by the Company in 1997. Excluding the contract expansion payment, the Company's ongoing research revenue increased $922,622 for the quarter ended December 31, 1998 versus the same quarter of 1997. This increase is primarily the result of the expanded scope of the Bayer agreement. Research revenue from the research collaboration agreements is recognized as related costs are incurred. Consequently, as these programs progress and costs increase, revenues increase proportionately.

Genetic testing revenues of $1,210,959 were recognized in the quarter ended December 31, 1998, an increase of 131% or $686,041 over the same quarter of the prior year. Genetic testing revenue is comprised of sales of diagnostic tests resulting from the Company's discovery of the BRCA1 and BRCA2 breast and ovarian cancer genes. Sales and marketing efforts since that time have given rise to the increased revenues for the quarter ended December 31, 1998. There can be no assurance, however that genetic testing revenues will continue to increase at the historical rate.

Research and development expenses for the quarter ended December 31, 1998 increased to $5,681,806 from $5,005,520 for the same quarter of 1997. This increase was primarily due to an increase in research activities as a result of the progress in the Company's collaborations with Novartis, Bayer, Schering and Monsanto as well as those programs funded by the Company. The increased level of research spending includes ongoing development of ProNet/TM/, third-party research programs, increased depreciation charges related to purchasing additional research equipment, the hiring of additional research personnel and the associated increase in use of laboratory supplies and reagents. Such expenses will likely increase to the extent that the Company enters into additional research agreements with third parties.

Selling, general and administrative expenses for the quarter ended December 31, 1998 decreased $109,127 from the same quarter of 1997. During the quarter ended December 31, 1997, the Company was initiating a plan to dramatically increase its sales force. Start-up expenses for the sales staff included training, relocation, and sales supplies. For the quarter ended December 31, 1998, the company maintained a steady, well-trained sales force which resulted in fewer selling expenses. The Company expects its general and administrative expenses will continue to fluctuate as needed in support of its genetic testing business and its research and development efforts.

Interest income for the quarter ended December 31, 1998 decreased to $579,471 from $836,555 for the same quarter of 1997. Cash, cash equivalents, and marketable investment securities were $59,485,471 at December 31, 1997 as compared to $47,410,710 at December 31, 1998. This decrease in cash and investments, attributable to expenditures incurred in the ordinary course of business, has resulted in reduced interest income. Interest expense for the quarter ended December 31, 1998, amounting to $3,908, was due entirely to borrowings under the Company's equipment financing facility. The gain on sale of assets of $47,750 in the quarter ended December 31, 1998 is the result of the sale of out-dated equipment and realized gains on disposition of marketable investment securities.

Results of Operations for the Six Months Ended December 31, 1998 and 1997

Research revenues for the six months ended December 31, 1998 were $9,183,028 as compared to $10,078,932 for

the same quarter of 1997. Greater research revenue recognized during the six month period ended December 31, 1997 versus the current period is the result of a $2,000,000 milestone payment from Schering and a $950,000 contract expansion payment from Bayer received by the Company in 1997. Excluding the milestone and contract expansion payment, the Company's ongoing research revenue increased $2,054,096 for the six months ended December 31, 1998 versus the same period of 1997. This increase is primarily the result of the expanded scope of the Bayer agreement. Research revenue from the research collaboration agreements is recognized as related costs are incurred. Consequently, as these programs progress and costs increase, revenues increase proportionately.

Genetic testing revenues of $2,124,429 were recognized in the six months ended December 31, 1998, an increase of $1,189,966 over the same six month period of 1997. Genetic testing revenue is comprised of sales of diagnostic tests resulting from the Company's discovery of the BRCA1 and BRCA2 breast and ovarian cancer genes. Sales and marketing efforts since that time have given rise to the increased revenues for the six months ended December 31, 1998. There can be no assurance, however that genetic testing revenues will continue to increase at the historical rate.

Research and development expenses for the six months ended December 31, 1998 increased to $11,499,295 from $11,206,159 for the prior year. This increase was primarily due to an increase in research activities as a result of the Company's collaborations with Novartis, Bayer, Schering, and Monsanto, as well as those programs funded by the Company. The increased level of research spending includes ongoing development of ProNet/TM/, third party research programs, increased depreciation charges related to purchasing additional equipment, the hiring of additional research personnel and the associated increase in use of laboratory supplies and reagents. Such expenses will likely increase to the extent that the Company enters into additional research agreements with third parties.

Selling, general and administrative expenses for the six months ended December 31, 1998 increased by $309,061 to $5,315,717 from $5,006,656 in the six month period in the prior year. The increase was primarily attributable to costs associated with the ongoing promotion of BRACAnalysis/TM/ as well as additional administrative, sales, marketing and education personnel, market research activities, educational material development, and facilities-related costs. The Company expects its general and administrative expenses will continue to fluctuate as needed in support of its genetic testing business and its research and development efforts.

Interest income for the first six months of fiscal year 1999 decreased to $1,275,690 from $1,701,359 for the first six months of fiscal year 1998. Cash, cash equivalents, and marketable investment securities were $59,485,471 at December 31, 1997 as compared to $47,410,710 at December 31, 1998. This decrease in cash and investments, attributable to expenditures incurred in the ordinary course of business, has resulted in reduced interest income. Interest expense for the six months ended December 31, 1998, amounting to $6,279, was due entirely to borrowings under the Company's equipment financing facility. The gain on sale of assets of $67,191 in the six months ended December 31, 1998 is the result of the sale of out-dated equipment and realized gains on disposition of marketable investment securities.

Liquidity and Capital Resources

Net cash used in operating activities was $3,064,275 during the quarter ended December 31, 1998 and $1,762,012 during the same quarter of the prior fiscal year. Cash used in operating activities is comprised of changes in the following financial statement accounts: depreciation and amortization, loss on sale of assets, bad debt expense, trade receivables, non-trade receivables, prepaid expenses, other assets, accounts payable and accrued expenses, and deferred revenue. Trade receivables for the three months ended December 31, 1998 increased $125,543. This increase is primarily attributable to the 33% increase in genetic testing revenue for the quarter ended December 31, 1998 as compared to testing revenue for the quarter ended September 30, 1998. Prepaid expenses decreased $37,267, from $759,316 to $722,049, during the quarter ended December 31, 1998. The decrease is primarily due to advanced royalties and insurance premiums being expensed during the quarter. Accounts payable and accrued expenses decreased by $696,723 between September 30, 1998 and December 31, 1998 primarily as a result of a large order of lab materials which was included as payable on September 30, 1998 and paid for during the quarter ended December 31, 1998. Deferred revenue, representing the difference in collaborative payments received and research revenue recognized, decreased from $2,132,699 to $1,734,686 during the quarter ended December 31, 1998.

The Company's investing activities provided cash in the amount of $10,871,660 in the three months ended December 31, 1998 and used cash of $1,838,018 in the three months ended December 31, 1997. Investing activities were comprised primarily of capital expenditures for research equipment, office furniture, and facility improvements and marketable investment securities. During the quarter ended December 31, 1998, the Company entered into a Master Lease Agreement with General Electric Capital Corporation ("G.E. Capital"). Under this agreement, the Company sold equipment with a value, net of depreciation, of $3,551,784 ("net book value") to G.E. Capital. The Company received proceeds from G.E. Capital equal to the net book value of the equipment. Also during the quarter ended December 31, 1998, the Company shifted a portion of its investment in marketable securities from longer term investments to cash and cash equivalents in order to take advantage of more favorable interest rates.

Financing activities provided $264,888 during the quarter ended December 31, 1998. The Company reduced the amount of principal owing on its equipment financing facility by $37,376. This use of cash was more than offset by cash proceeds from the exercise of options. Financing activities provided $161,560 during the quarter ended December 31, 1997 primarily as a result of payments to reduce the principal on its equipment financing facility in the amount of $84,388, offset by cash proceeds from the exercise of options.

The Company anticipates that its existing capital resources will be adequate to maintain its current and planned operations for at least the next two years, although no assurance can be given that changes will not occur that would consume available capital resources before such time. The Company's future capital requirements will be substantial and will depend on many factors, including progress of the Company's research and development programs, the results and cost of clinical correlation testing of the Company's genetic tests, the costs of filing, prosecuting and enforcing patent claims, competing technological and market developments, payments received under collaborative agreements, changes in collaborative research relationships, the costs associated with potential commercialization of its gene discoveries, if any, including the development of manufacturing, marketing and sales capabilities, the cost and availability of third-party financing for capital expenditures and administrative and legal expenses. Because of the Company's significant long-term capital requirements, the Company intends to raise funds when conditions are favorable, even if it does not have an immediate need for additional capital at such time.

Impact of the Year 2000 Issue

The Year 2000 Issue

The Year 2000 Issue is the result of computer programs using a two-digit format, as opposed to four digits, to indicate the year. Any of the Company's computer programs or other information systems that have time-sensitive software or embedded microcontrollers may recognize a date using "00" as the year 1900 rather than the year 2000. This could result in a system failure or miscalculations causing disruptions of operations.

State of Readiness and Costs to Address the Year 2000 Issue

During fiscal 1998, the Company completed an initial review ("Phase I") of its information and non-information technology systems. This review included its existing and planned computer software and hardware. The Company has made an initial determination, based on its Phase I review, that the costs and/or consequences associated with the Year 2000 issue are not expected to have a material effect on its business, operations or future financial condition.

A second, more in-depth analysis ("Phase II") is currently ongoing. Internally, Phase II will include the testing of internally developed systems. The internal portion of Phase II, although well underway, is not expected to be completed until the end of its 1999 fiscal year. The Company presently believes that with modifications to existing software and conversions to new software and systems, the Year 2000 Issue will not pose significant operational problems for its computer and other information systems. If required, the Company will utilize both internal and external resources to reprogram, or replace, and test the software and systems for Year 2000 modifications. Externally, Phase II of the Company's preparations for the Year 2000 Issue will consist of soliciting and obtaining certification of Year 2000 compliance from third-party software vendors and determining the readiness of its significant suppliers and customers.

Risks of the Year 2000 Issue

If such modifications, conversions and/or replacements are not made, are not completed timely, or if any of the Company's suppliers or customers do not successfully deal with the Year 2000 Issue, the Year 2000 Issue could have a material impact on the operations of the Company. The Company could experience delays in receiving or sending its genetic testing products that would increase its costs and that could cause the Company to lose business and even customers and could subject the Company to claims for damages. Problems with the Year 2000 Issue could also result in delays in the Company invoicing its genetics testing customers or in the Company receiving payments from them. In addition, the Company's research and development efforts which rely heavily on the storage and retrieval of electronic information could be interrupted resulting in significant delays in discovering genes, the loss of current collaborations, and the impairment of the Company's ability to enter into new collaborations. The severity of these possible problems would depend on the nature of the problem and how quickly it could be corrected or an alternative implemented, which is unknown at this time. In the extreme, such problems could bring the Company to a standstill.

While management has not yet specifically determined the costs associated with its Year 2000 readiness efforts, monitoring and managing the Year 2000 Issue will result in additional direct and indirect costs to the Company. Direct costs include potential charges by third-party software vendors for product enhancements, costs involved in testing software products for Year 2000 compliance and any resulting costs for developing and implementing contingency plans for critical software products which are not enhanced. Indirect costs will principally consist of the time devoted by existing employees in monitoring software vendor progress, testing enhanced software products and implementing any necessary contingency plans. Such costs have not been material to date. Both direct and indirect costs of addressing the Year 2000 Issue will be charged to earnings as incurred.

Contingency Plan

After evaluating its internal compliance efforts as well as the compliance of third parties as described above, the Company will develop during calendar year 1999 appropriate contingency plans to address situations in which various systems of the Company, or of third parties with which the Company does business, are not Year 2000 compliant. Some risks of the Year 2000 Issue, however, are beyond the control of the Company and its suppliers and customers. For example, no preparations or contingency plan will protect the Company from a downturn in economic activity caused by the possible ripple effect throughout the entire economy caused by the Year 2000 Issue.

Certain Factors That May Affect Future Results of Operations

The Company believes that this report on Form 10-Q contains certain forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. Such statements are based on management's current expectations and are subject to a number of factors and uncertainties which could cause actual results to differ materially from those described in the forward-looking statements. The Company cautions investors that there can be no assurance that actual results or business conditions will not differ materially from those projected or suggested in such forward-looking statements as a result of various factors, including, but not limited to, the following: the timely implementation by the Company of its plan to prepare its computer systems for the Year 2000, the costs to the Company of such preparation, and the timely conversion by other parties on which the Company's business relies; intense competition related to the discovery of disease-related genes and the possibility that others may discover, and the Company may not be able to gain rights with respect to, genes important to the establishment of a successful genetic testing business, difficulties inherent in developing genetic tests once genes have been discovered; the Company's limited experience in operating a genetic testing laboratory; the Company's limited marketing and sales experience and the risk that tests which the Company has or may develop may not be able to be marketed at acceptable prices or receive commercial acceptance in the markets that the Company is targeting or expects to target; uncertainty as to whether there will exist adequate reimbursement for the Company's services from government, private healthcare insurers and third-party payors; and uncertainties as to the extent of future government regulation of the Company's business. As a result, the Company's future development efforts involve a high degree of risk. For further information, refer to the more specific risks and uncertainties disclosed throughout this Quarterly Report on Form 10-Q.

PART II - Other Information

Item 1. Legal Proceedings.

The Company is not a party to any legal proceedings.

Item 2. Changes in Securities.

(c) Sales of Unregistered Securities

During the three months ended December 31, 1998, the Company issued a total of 2,200 shares of Common Stock to a consultant of the Company pursuant to the exercise of stock options at a weighted average price of $.028 per share.

No person acted as an underwriter with respect to the transactions set forth above. In each of the foregoing instances, the Company relied on Section 4(2) of the Securities Act of 1933, as amended (the "Securities Act") or Rule 701 promulgated under the Securities Act for the exemption from the registration requirements of the Securities Act, since no public offerings were involved.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Submission of Matters to a Vote of Security Holders.

On November 12, 1998, the Company held its Annual Meeting of Shareholders (the "Annual Meeting"). A quorum of 6,269,227 shares of Common Stock of the Company (of a total 9,345,535 outstanding shares, or approximately 67.1%) was represented at the Annual Meeting in person or by proxy, which was held to vote on the following proposals:

1. To elect two members to the Board of Directors. Nominees for Directors were Peter D. Meldrum and Mark H. Skolnick, Ph.D.

2. To consider and act upon a proposal to ratify the appointment of KPMG Peat Marwick LLP as the Company's independent public accountants for the fiscal year ending June 30, 1999.

Each of the proposals was adopted, with the vote totals as follows:

Proposal 1:

	FOR	WITHHELD
Peter D. Meldrum	6,231,093	38,134
Mark H. Skolnick, Ph.D.	6,227,758	41,469

Michael J. Berendt, Ph.D., Alan J. Main, Ph.D., and Dale A. Stringfellow, Ph.D. continue to serve as Directors for terms which expire in 2000 and Walter Gilbert, Ph.D., Arthur H. Hayes, Jr., M.D. and John J. Horan continue to serve as Directors for terms which expire in 1999 and until their successors are duly elected and qualified.

Proposal 2:

For	6,231,370
Against	21,887
Abstain	15,970

Item 5. Other Information.

None.

Item 6. Exhibits and Reports on Form 8-K.

(a) Exhibits

The following is a list of exhibits filed as part of this Quarterly Report on Form 10-Q.

Exhibit Number	Description
10.1	Master Lease Agreement dated December 31, 1998 between General Electric Capital Corporation and the Company.
10.2	Addendum No. 1 to Master Lease Agreement dated December 31, 1998 between General Electric Capital Corporation and the Company.
10.3	Addendum No. 2 to Master Lease Agreement dated December 31, 1998 between General Electric Capital Corporation and the Company.
10.4	Biotech Equipment Schedule Schedule No. 001 dated December 31, 1998 to Master Lease Agreement dated December 31, 1998 between General Electric Corporation and the Company.
10.5	Annex A to Equipment Schedule No. 001 to Master Lease Agreement dated December 31, 1998 between General Electric Corporation and the Company.
10.6	Annex B to Equipment Schedule No. 001 to Master Lease Agreement dated December 31, 1998 between General Electric Corporation and the Company.
10.7	Addendum to Schedule No. 001 to Master Lease Agreement dated as of December 31, 1998 between General Electric Corporation and the Company.
10.8	Collaborative Research, License and Co-Promotion Agreement dated as of October 5, 1998 between Schering Aktiengesellschaft and the Company. The Company has excluded from this Exhibit 10.8 portions of the Collaborative Research, License and Co-Promotion Agreement for which the Company has requested confidential treatment from the Securities and Exchange Commission. The portions of the Collaborative Research, License and Co-Promotion Agreement for which confidential treatment has been requested are marked "[ ]" and such confidential portions have been filed separately with the Securities and Exchange Commission.
10.9	Collaborative ProNet Research and License Agreement dated as of November 11, 1998 between Monsanto Company and the Company. The Company has excluded from this Exhibit 10.9 portions of the Collaborative ProNet Research and License Agreement for which the Company has requested confidential treatment from the Securities and Exchange Commission. The portions of the Collaborative ProNet Research and License Agreement for which confidential treatment has been requested are marked "[ ]" and such confidential portions have been filed separately with the Securities and Exchange Commission.

10.10 Letter Amendment to the Collaborative Research and License Agreement dated as of November 30, 1998 between Bayer Corporation and the Company. The Company has excluded from this Exhibit 10.10 portions of the Letter Amendment to the Collaborative Research and License Agreement for which the Company has requested confidential treatment from the Securities and Exchange Commission. The portions of the Letter Amendment to the Collaborative Research and License Agreement for which confidential treatment has been requested are marked "[ ]" and such confidential portions have been filed separately with the Securities and Exchange Commission.

11.1 Statement Regarding Computation of Net Loss Per Share

27.1 Financial Date Schedule

(b) Reports on Form 8-K

No reports on Form 8-K were filed during the quarter ended December 31, 1998.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

MYRIAD GENETICS, INC.

Date: February 12, 1999 By: /s/ Peter D. Meldrum

Peter D. Meldrum
President and Chief Executive Officer

Date: February 12, 1999 /s/ Jay M. Moyes

Jay M. Moyes
Vice President of Finance
(principal financial and accounting officer)

MYRIAD GENETICS, INC.

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11.1 Statement Regarding Computation of Net Loss Per Share

27.1 Financial Date Schedule

Exhibit 10.1

MASTER LEASE AGREEMENT

dated as of December 31, 1998 ("AGREEMENT")

THIS AGREEMENT, is between GENERAL ELECTRIC CAPITAL CORPORATION its successors and assigns, if any ("LESSOR") and MYRIAD GENETICS, INC. ("LESSEE"). Lessor has an office at 4 NORTH PARK DRIVE SUITE 500, HUNT VALLEY, MD 21030. Lessee is a corporation organized and existing under the laws of the State of Delaware. Lessee's mailing address and chief place of business is 320 WAKARA WAY, SALT LAKE CITY, UT 84108. This Agreement contains the general terms that apply to the leasing of Equipment from Lessor to Lessee. Additional terms that apply to the Equipment (term, rent, options, etc.) shall be contained on a schedule ("SCHEDULE").

1. LEASING:

(a) Lessor agrees to lease to Lessee, and Lessee agrees to lease from Lessor, the equipment ("EQUIPMENT") described in any Schedule signed by both parties.

(b) Lessor shall purchase Equipment from the manufacturer or supplier ("SUPPLIER"),(including Myriad Financial) and lease it to Lessee if on or before the Last Delivery Date Lessor receives (i) a Schedule for the Equipment, (ii) evidence of insurance which complies with the requirements of Section 9, and (iii) such other documents as Lessor may reasonably request. Each of the documents required above must be in form and substance satisfactory to Lessor. Lessor hereby appoints Lessee its agent for inspection and acceptance of the Equipment from the Supplier. Once the Schedule is signed, the Lessee may not cancel the Schedule.

2. TERM, RENT AND PAYMENT:

(a) The rent payable for the Equipment and Lessee's right to use the Equipment shall begin on the earlier of (i) the date when the Lessee signs the Schedule and accepts the Equipment or (ii) when Lessee has accepted the Equipment under a Certificate of Acceptance ("LEASE COMMENCEMENT DATE"). The term of this Agreement shall be the period specified in the applicable Schedule. The word "term" shall include all basic and any renewal terms.

(b) Lessee shall pay rent to Lessor at its address stated above, except as otherwise directed by Lessor. Rent payments shall be in the amount set forth in, and due as stated in the applicable Schedule. If any Advance Rent (as stated in the Schedule) is payable, it shall be due when the Lessee signs the Schedule. Advance Rent shall be applied to the first rent payment and the balance, if any, to the final rent payment(s) under such Schedule. In no event shall any Advance Rent or any other rent payments be refunded to Lessee. If rent is not paid within ten (10) days of its due date, Lessee agrees to pay a late charge of five cents ($.05) per dollar on, and in addition to, the amount of such rent but not exceeding the lawful maximum, if any.

3. RENT ADJUSTMENT:

(a) If, solely as a result of Congressional enactment of any law (including, without limitation, any modification of, or amendment or addition to, the Internal Revenue Code of 1986, as amended, ("CODE")), the maximum effective corporate income tax rate (exclusive of any minimum tax rate) for calendar-year taxpayers ("EFFECTIVE RATE") is higher than thirty-five percent (35%) for any year during the lease term, then Lessor shall have the right to increase such rent payments by requiring payment of a single additional sum. The additional sum shall be equal to the product of (i) the Effective Rate (expressed as a decimal) for such year less .35 (or, in the event that any adjustment has been made hereunder for any previous year, the Effective Rate (expressed as a decimal) used in calculating the next previous adjustment) times (ii) the adjusted Termination Value (defined below), divided by (iii) the difference between the new Effective Rate (expressed as a decimal) and one (1). The adjusted Termination Value shall be the Termination Value (calculated as of the first rent due in the year for which the adjustment is being made) minus the Tax Benefits that would be allowable under Section 168 of the Code (as of the first day of the year for which such adjustment is being made and all future years of the lease term). The Termination Values and Tax Benefits are defined on the Schedule. Lessee shall pay to Lessor the full amount of the additional rent payment on the later of (i) receipt of notice or (ii) the first day of the year for which such adjustment is being made.

(b) Lessee's obligations under this Section 3 shall survive any expiration or termination of this Agreement.

4. TAXES: If permitted by law, Lessee shall report and pay promptly all taxes, fees and assessments due, imposed, assessed or levied against any Equipment (or purchase, ownership, delivery, leasing, possession, use or operation thereof), this Agreement (or any rents or receipts hereunder), any Schedule, Lessor or Lessee by any governmental entity or taxing authority during or related to the term of this Agreement, including, without limitation, all license and registration fees, and all sales, use, personal property, excise, gross receipts, franchise, stamp or other taxes, imposts, duties and charges, together with any penalties, fines or interest thereon (collectively "TAXES"). Lessee shall have no liability for Taxes imposed by the United States of America or any state or political subdivision thereof which are on or measured by the net income of Lessor except as provided in Sections 3 and 14(c). Lessee shall promptly reimburse Lessor (on an after tax basis) for any Taxes charged to or assessed against Lessor. Lessee shall show Lessor as the owner of the Equipment on all tax reports or returns, and send Lessor a copy of each report or return and evidence of Lessee's payment of Taxes upon request.

5. REPORTS:

(a) If any tax or other lien shall attach to any Equipment, Lessee will notify Lessor in writing, within ten (10) days after Lessee becomes aware of the tax or lien. The notice shall include the full particulars of the tax or lien and the location of such Equipment on the date of the notice.

(b) "Upon request by Lessor," Lessee will provide to Lessor, Lessee's complete financial statements, certified by a recognized firm of certified public accountants within ninety (90) days of the close of each fiscal year of Lessee. Lessee will deliver to Lessor copies of Lessee's quarterly financial report certified by the chief financial officer of Lessee, within ninety (90) days of the close of each fiscal quarter of Lessee. Lessee will deliver to Lessor all Forms 10-K and 10-Q, if any, filed with the Securities and Exchange Commission within thirty (30) days after the date on which they are filed. Lessee shall also provide to Lessor upon request at the end of each fiscal quarter a compliance certificate.

(c) Lessor may inspect any Equipment during normal business hours after giving Lessee reasonable prior notice.

(d) Lessee will keep the Equipment at the Equipment Location (specified in the applicable Schedule) and will give Lessor prior written notice of any relocation of Equipment. If Lessor asks, Lessee will promptly notify Lessor in writing of the location of any Equipment.

(e) If any Equipment is lost or damaged (where the estimated repair costs would exceed the greater of ten percent (10%) of the original Equipment cost or ten thousand and 00/100 dollars ($10,000)), or is otherwise involved in an accident causing personal injury or property damage, Lessee will promptly and fully report the event to Lessor in writing.

(f) Lessee will furnish a certificate of an authorized officer of Lessee stating that he has reviewed the activities of Lessee and that, to the best of his knowledge, there exists no default or event which with notice or lapse of time (or both) would become such a default within thirty (30) days after any request by Lessor.

6. DELIVERY, USE AND OPERATION:

(a) All Equipment shall be shipped directly from the Supplier to Lessee.

(b) Lessee agrees that the Equipment will be used by Lessee solely in the conduct of its business and in a manner complying with all applicable laws, regulations and insurance policies and Lessee shall not discontinue use of the Equipment.

(c) Lessee will not move any equipment from the location specified on the Schedule, without the prior written consent of Lessor.

(d) Lessee will keep the Equipment free and clear of all liens and encumbrances other than those which result from acts of Lessor.

(e) Lessor shall not disturb Lessee's quiet enjoyment of the Equipment during the term of the Agreement unless a default has occurred and is continuing under this Agreement.

7. MAINTENANCE:

(a) Lessee will, at its sole expense, maintain each unit of Equipment in good operating order and repair, normal wear and tear excepted. The Lessee shall also maintain the Equipment in accordance with manufacturer's recommendations. Lessee shall make all alterations or modifications required to comply with any applicable law, rule or regulation during the term of this Agreement. If Lessor requests, Lessee shall affix plates, tags or other identifying labels showing ownership thereof by Lessor. The tags or labels shall be placed in a prominent position on each unit of Equipment.

(b) Lessee will not attach or install anything on any Equipment that will impair the originally intended function or use of such Equipment without the prior written consent of Lessor. All additions, parts, supplies, accessories, and equipment ("ADDITIONS") furnished or attached to any Equipment that are not readily removable shall become the property of Lessor. All Additions shall be made only in compliance with applicable law. Lessee will not attach or install any Equipment to or in any other personal or real property without the prior written consent of Lessor.

8. STIPULATED LOSS VALUE: If for any reason any unit of Equipment becomes worn out, lost, stolen, destroyed, irreparably damaged or unusable ("CASUALTY OCCURRENCES") Lessee shall promptly and fully notify Lessor in writing. Lessee shall pay Lessor the sum of (i) the Stipulated Loss Value (see Schedule) of the affected unit determined as of the rent payment date prior to the Casualty Occurrence; and (ii) all rent and other amounts which are then due under this Agreement on the Payment Date (defined below) for the affected unit. The Payment Date shall be the next rent payment date after the Casualty Occurrence. Upon Payment of all sums due hereunder, the term of this lease as to such unit shall terminate.

9. INSURANCE:

(a) Lessee shall bear the entire risk of any loss, theft, damage to, or destruction of, any unit of Equipment from any cause whatsoever from the time the Equipment is shipped to Lessee.

(b) Lessee agrees, at its own expense, to keep all Equipment insured for such amounts and against such hazards as Lessor may reasonably require. All such policies shall be with companies, and on terms, reasonably satisfactory to Lessor. The insurance shall include coverage for damage to or loss of the Equipment, liability for personal injuries, death or property damage. Lessor shall be named as additional insured with a loss payable clause in favor of Lessor, as its interest may appear, irrespective of any breach of warranty or other act or omission of Lessee. The insurance shall provide for liability coverage in an amount equal to at least ONE MILLION U.S. DOLLARS ($1,000,000.00) total liability per occurrence, unless otherwise stated in any Schedule. The casualty/property damage coverage shall be in an amount equal to the higher of the Stipulated Loss Value or the full replacement cost of the Equipment. No insurance shall be subject to any co-insurance clause. The insurance policies shall provide that the insurance may not be altered or canceled by the insurer until after thirty (30) days written notice to Lessor. Lessee agrees to deliver to Lessor evidence of insurance reasonably satisfactory to Lessor.

(c) Lessee hereby appoints Lessor as Lessee's attorney-in-fact to make proof of loss and claim for insurance, and to make adjustments with insurers and to receive payment of and execute or endorse all documents, checks or drafts in connection with insurance payments. Lessor shall not act as Lessee's attorney-in-fact unless Lessee is in default. Lessee shall pay any reasonable expenses of Lessor in adjusting or collecting insurance. Lessee will not make adjustments with insurers except with respect to claims for damage to any unit of Equipment where the repair costs are less than the lesser of ten percent (10%) of the original Equipment cost or ten thousand and 00/100 dollars ($10,000). Lessor may, at its option, apply proceeds of insurance, in whole or in part, to (i) repair or replace Equipment or any portion thereof, or (ii) satisfy any obligation of Lessee to Lessor under this Agreement.

10. RETURN OF EQUIPMENT:

(a) At the expiration or termination of this Agreement or any Schedule, Lessee shall perform any testing and repairs required to place the units of Equipment in the same condition and appearance as when received by Lessee (reasonable wear and tear excepted) and in good working order for the original intended purpose of the Equipment. If required the units of Equipment shall be deinstalled, disassembled and crated by an authorized manufacturer's representative or such other service person as is reasonably satisfactory to Lessor. Lessee shall remove installed markings that are not necessary for the operation, maintenance or repair of the Equipment. All Equipment will be cleaned, cosmetically acceptable, and in such condition as to be immediately installed into use in a similar environment for which the Equipment was originally intended to be used. All waste material and fluid must be removed from the Equipment and disposed of in accordance with then current waste disposal laws. Lessee shall return the units of Equipment to a location within the continental United States as Lessor shall direct. Lessee shall obtain and pay for a policy of transit insurance for the redelivery period in an amount equal to the replacement value of the Equipment. The transit insurance must name Lessor as the loss payee. Lessor may move equipment from lessee's premises during normal business hours. The Lessee shall pay for all costs to comply with this section (a).

(b) Until Lessee has fully complied with the requirements of Section 10(a) above, Lessee's rent payment obligation and all other obligations under this Agreement shall continue from month to month notwithstanding any expiration or termination of the lease term. Lessor may terminate the Lessee's right to use the Equipment upon twenty (20) days notice to Lessee.

(c) Lessee shall provide to Lessor a detailed inventory of all components of the Equipment including model and serial numbers. Lessee shall also provide an up-to-date copy of all other documentation pertaining to the Equipment. All service manuals, blue prints, process flow diagrams, operating manuals, inventory and maintenance records shall be given to Lessor upon request .

(d) Lessee shall make the Equipment available for on-site operational inspections by potential purchasers at least one hundred twenty (120) days prior to and continuing up to lease termination. Lessor shall provide Lessee with reasonable notice prior to any inspection. Lessee shall provide personnel, power and other requirements necessary to demonstrate electrical, hydraulic and mechanical systems for each item of Equipment.

11. DEFAULT AND REMEDIES:

(a) Lessor may in writing declare this Agreement in default if: (i) Lessee breaches its obligation to pay rent or any other sum when due and fails to cure the breach within ten (10) days; (ii) Lessee breaches any of its insurance obligations under Section 9; (iii) Lessee breaches any of its other obligations and fails to cure that breach within thirty (30) days after written notice from Lessor; (iv) any representation or warranty made by Lessee in connection with this Agreement shall be false or misleading in any material respect; (v) Lessee or any guarantor or other obligor for the Lessee's obligations hereunder ("GUARANTOR") becomes insolvent or ceases to do business as a going concern; (vi) any Equipment is illegally used; (vii) if Lessee or any Guarantor is a natural person, any death or incompetency of Lessee or such Guarantor; or (viii) a petition is filed by or against Lessee or any Guarantor under any bankruptcy or insolvency laws and in the event of an involuntary petition, the petition is not dismissed within forty-five (45) days of the filing date. The default declaration shall apply to all Schedules unless specifically excepted by Lessor.

(b) After a default, at the request of Lessor, Lessee shall comply with the provisions of Section 10(a). Lessee hereby authorizes Lessor to peacefully enter any premises in compliance with the security procedures of Myriad Genetics Inc., as long as such policies and procedures have been provided to the Lessor upfront where any Equipment may be and take possession of the Equipment. Lessee shall immediately pay to Lessor without further demand as liquidated damages for loss of a bargain and not as a penalty, the Stipulated Loss Value of the Equipment (calculated as of the rent payment date prior to the declaration of default), and all rents and other sums then due under this Agreement and all Schedules. Lessor may terminate this Agreement as to any or all of the Equipment. A termination shall occur only upon written notice by Lessor to Lessee and only as to the units of Equipment specified in any such notice. Lessor may, but shall not be required to, sell Equipment at private or public sale, in bulk or in parcels, with or without notice, and without having the Equipment present at the place of sale. Lessor may also, but shall not be required to, lease, otherwise dispose of or keep idle all or part of the Equipment. Lessor may use Lessee's premises for a reasonable period of time for any or all of the purposes stated above without liability for rent, costs, damages or otherwise. The proceeds of sale, lease or other disposition, if any, shall be applied in the following order of priorities: (i) to pay all of Lessor's reasonable costs, charges and expenses incurred in taking, removing, holding, repairing and selling, leasing or otherwise disposing of Equipment; then, (ii) to the extent not previously paid by Lessee, to pay Lessor all sums due from Lessee under this Agreement; then (iii) to reimburse to Lessee any sums previously paid by Lessee as liquidated damages; and (iv) any surplus shall be retained by Lessor. Lessee shall immediately pay any deficiency in (i) and (ii) above .

(c) The foregoing remedies are cumulative, and any or all thereof may be exercised instead of or in addition to each other or any remedies at law, in equity, or under statute. Lessee waives notice of sale or other disposition (and the time and place thereof), and the manner and place of any advertising. Lessee shall pay Lessor's reasonable attorney's fees incurred in connection with the enforcement, assertion, defense or preservation of Lessor's rights and remedies under this Agreement, or if prohibited by law, such lesser sum as may be permitted. Waiver of any default shall not be a waiver of any other or subsequent default.

(d) Any default under the terms of this or any other agreement between Lessor and Lessee may be declared by Lessor a default under this and any such other agreement.

12. ASSIGNMENT: LESSEE SHALL NOT SELL, TRANSFER, ASSIGN, ENCUMBER OR SUBLET ANY EQUIPMENT OR THE INTEREST OF LESSEE IN THE EQUIPMENT WITHOUT THE PRIOR WRITTEN CONSENT OF LESSOR EXCEPT THAT LESSEE MAY TRANSFER OR ASSIGN ITS INTEREST IN EQUIPMENT TO A PARTY THAT ACQUIRES SUBSTANTIALLY ALL OF THE ASSETS OF LESSEE WHETHER BY PURCHASE OR BY MERGER. Lessor may, without the consent of Lessee, assign this Agreement, any Schedule or the right to enter into a Schedule. Lessee agrees that if Lessee receives written notice of an assignment from Lessor, Lessee will pay all rent and all other amounts payable under any assigned Schedule to such assignee or as instructed by Lessor. Lessee also agrees to confirm in writing receipt of the notice of assignment as may be reasonably requested by assignee.

Lessee hereby waives and agrees not to assert against any such assignee any defense, set-off, recoupment claim or counterclaim which Lessee has or may at any time have against Lessor for any reason whatsoever.

13. NET LEASE: Lessee is unconditionally obligated to pay all rent and other amounts due for the entire lease term no matter what happens, even if the Equipment is damaged or destroyed, if it is defective or if Lessee no longer can use it. Lessee is not entitled to reduce or set-off against rent or other amounts due to Lessor or to anyone to whom Lessor assigns this Agreement or any Schedule whether Lessee's claim arises out of this Agreement, any Schedule, any statement by Lessor, Lessor's liability or any manufacturer's liability, strict liability, negligence or otherwise.

14. INDEMNIFICATION:

(a) Lessee hereby agrees to indemnify Lessor, its agents, employees, successors and assigns (on an after tax basis) from and against any and all losses, damages, penalties, injuries, claims, actions and suits, including legal expenses, of whatsoever kind and nature arising out of or relating to the Equipment or this Agreement, except to the extent the losses, damages, penalties, injuries, claims, actions, suits or expenses result from Lessor's gross negligence or willful misconduct ("CLAIMS"). This indemnity shall include, but is not limited to, Lessor's strict liability in tort and Claims, arising out of (i) the selection, manufacture, purchase, acceptance or rejection of Equipment, the ownership of Equipment during the term of this Agreement, and the delivery, lease, possession, maintenance, uses, condition, return or operation of Equipment (including, without limitation, latent and other defects, whether or not discoverable by Lessor or Lessee and any claim for patent, trademark or copyright infringement or environmental damage) or (ii) the condition of Equipment sold or disposed of after use by Lessee, any sublessee or employees of Lessee. Lessee shall, upon request, defend any actions based on, or arising out of, any of the foregoing.

(b) Lessee hereby represents, warrants and covenants that (i) on the Lease Commencement Date for any unit of Equipment, such unit will qualify for all of the items of deduction and credit specified in Section C of the applicable Schedule ("TAX BENEFITS") in the hands of Lessor, and (ii) at no time during the term of this Agreement will Lessee take or omit to take, nor will it permit any sublessee or assignee to take or omit to take, any action (whether or not such act or omission is otherwise permitted by Lessor or by this Agreement), which will result in the disqualification of any Equipment for, or recapture of, all or any portion of such Tax Benefits.

(c) If as a result of a breach of any representation, warranty or covenant of the Lessee contained in this Agreement or any Schedule (i) tax counsel of Lessor shall determine that Lessor is not entitled to claim on its Federal income tax return all or any portion of the Tax Benefits with respect to any Equipment, or (ii) any Tax Benefit claimed on the Federal income tax return of Lessor is disallowed or adjusted by the Internal Revenue Service, or (iii) any Tax Benefit is recalculated or recaptured (any determination, disallowance, adjustment, recalculation or recapture being a "LOSS"), then Lessee shall pay to Lessor, as an indemnity and as additional rent, an amount that shall, in the reasonable opinion of Lessor, cause Lessor's after-tax economic yields and cash flows to equal the Net Economic Return that would have been realized by Lessor if such Loss had not occurred. Such amount shall be payable upon demand accompanied by a statement describing in reasonable detail such Loss and the computation of such amount. The economic yields and cash flows shall be computed on the same assumptions, including tax rates as were used by Lessor in originally evaluating the transaction ("NET ECONOMIC RETURN"). If an adjustment has been made under Section 3 then the Effective Rate used in the next preceding adjustment shall be substituted.

(d) All references to Lessor in this Section 14 include Lessor and the consolidated taxpayer group of which Lessor is a member. All of Lessor's rights, privileges and indemnities contained in this Section 14 shall survive the expiration or other termination of this Agreement. The rights, privileges and indemnities contained herein are expressly made for the benefit of, and shall be enforceable by Lessor, its successors and assigns.

15. DISCLAIMER: LESSEE ACKNOWLEDGES THAT IT HAS SELECTED THE EQUIPMENT WITHOUT ANY ASSISTANCE FROM LESSOR, ITS AGENTS OR EMPLOYEES. LESSOR DOES NOT MAKE, HAS NOT MADE, NOR SHALL BE DEEMED TO MAKE OR HAVE MADE, ANY WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, WRITTEN OR ORAL, WITH RESPECT TO THE EQUIPMENT LEASED UNDER THIS AGREEMENT OR ANY COMPONENT THEREOF, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY AS TO DESIGN, COMPLIANCE WITH SPECIFICATIONS, QUALITY OF MATERIALS OR WORKMANSHIP, MERCHANTABILITY, FITNESS FOR ANY PURPOSE, USE OR OPERATION, SAFETY, PATENT, TRADEMARK OR COPYRIGHT INFRINGEMENT, OR TITLE. All such risks, as between Lessor and Lessee, are to be borne by Lessee. Without limiting the foregoing, Lessor shall have no responsibility or liability to Lessee or any other person with respect to any of the following; (i) any liability, loss or damage caused or alleged to be caused directly or indirectly by any Equipment, any inadequacy thereof, any deficiency or defect (latent or otherwise) of the Equipment, or any other circumstance in connection with the Equipment; (ii) the use, operation or performance of any Equipment or any risks relating to it; (iii) any interruption of service, loss of business or anticipated profits or consequential damages; or (iv) the delivery, operation, servicing, maintenance, repair, improvement or replacement of any Equipment. If, and so long as, no default exists under this Agreement, Lessee

shall be, and hereby is, authorized during the term of this Agreement to assert and enforce whatever claims and rights Lessor may have against any Supplier of the Equipment at Lessee's sole cost and expense, in the name of and for the account of Lessor and/or Lessee, as their interests may appear.

16. REPRESENTATIONS AND WARRANTIES OF LESSEE: Lessee makes each of the following representations and warranties to Lessor on the date hereof and on the date of execution of each Schedule.

(a) Lessee has adequate power and capacity to enter into, and perform under, this Agreement and all related documents (together, the "DOCUMENTS"). Lessee is duly qualified to do business wherever necessary to carry on its present business and operations, including the jurisdiction(s) where the Equipment is or is to be located.

(b) The Documents have been duly authorized, executed and delivered by Lessee and constitute valid, legal and binding agreements, enforceable in accordance with their terms, except to the extent that the enforcement of remedies may be limited under applicable bankruptcy and insolvency laws.

(c) No approval, consent or withholding of objections is required from any governmental authority or entity with respect to the entry into or performance by Lessee of the Documents except such as have already been obtained.

(d) The entry into and performance by Lessee of the Documents will not: (i) violate any judgment, order, law or regulation applicable to Lessee or any provision of Lessee's Certificate of Incorporation or bylaws; or (ii) result in any breach of, constitute a default under or result in the creation of any lien, charge, security interest or other encumbrance upon any Equipment pursuant to any indenture, mortgage, deed of trust, bank loan or credit agreement or other instrument (other than this Agreement) to which Lessee is a party.

(e) There are no suits or proceedings pending or threatened in court or before any commission, board or other administrative agency against or affecting Lessee, which if decided against Lessee will have a material adverse effect on the ability of Lessee to fulfill its obligations under this Agreement.

(f) The Equipment accepted under any Certificate of Acceptance is and will remain tangible personal property.

(g) Each financial statement delivered to Lessor has been prepared in accordance with generally accepted accounting principles consistently applied. Since the date of the most recent financial statement, there has been no material adverse change.

(h) Lessee is and will be at all times validly existing and in good standing under the laws of the State of its incorporation (specified in the first sentence of this Agreement).

(i) The Equipment will at all times be used for commercial or business purposes.

17. EARLY TERMINATION:

(a) On or after the First Termination Date (specified in the applicable Schedule), Lessee may, so long as no default exists hereunder, terminate this Agreement as to all (but not less than all) of the Equipment on such Schedule as of a rent payment date ("TERMINATION DATE"). Lessee must give Lessor at least ninety (90) days prior written notice of the termination.

(b) Lessee shall, and Lessor may, solicit cash bids for the Equipment on an AS IS, WHERE IS BASIS without recourse to or warranty from Lessor, express or implied ("AS IS BASIS"). Prior to the Termination Date, Lessee shall (i) certify to Lessor any bids received by Lessee and (ii) pay to Lessor (A) the Termination Value (calculated as of the rent due on the Termination Date) for the Equipment, and (B) all rent and other sums due and unpaid as of the Termination Date.

(c) If all amounts due hereunder have been paid on the Termination Date, Lessor shall (i) sell the Equipment on an AS IS BASIS for cash to the highest bidder and (ii) refund the proceeds of such sale (net of any related expenses) to Lessee up to the amount of the Termination Value. If such sale is not consummated, no termination shall occur and Lessor shall refund the Termination Value (less any expenses incurred by Lessor) to Lessee.

(d) Notwithstanding the foregoing, Lessor may elect by written notice, at any time prior to the Termination Date, not to sell the Equipment. In that event, on the Termination Date Lessee shall (i) return the Equipment (in accordance with Section 10) and (ii) pay to Lessor all amounts required under Section 17(b) less the amount of the highest bid certified by Lessee to Lessor.

18. PURCHASE OPTION:

(a) Lessee may at lease expiration purchase all (but not less than all) of the Equipment in any Schedule on an AS IS BASIS for cash equal to its then Fair Market Value (plus all applicable sales taxes). Lessee must notify Lessor of its intent to purchase the Equipment in writing at least one hundred one hundred twenty (120) days in advance. If Lessee is in default or if the Lease has already been terminated Lessee may not purchase the Equipment.

(b) "Fair Market Value" shall mean the price that a willing buyer (who is neither a lessee in possession nor a used equipment dealer) would pay for the Equipment in an arm's-length transaction to a willing seller under no compulsion to sell. In determining the Fair Market Value the Equipment shall be assumed to be in the condition in which it is required to be maintained and returned under this Agreement. If the Equipment is installed it shall be valued on an installed basis. The costs of removal from current location shall not be a deduction from the value of the Equipment. If Lessor and Lessee are unable to agree on the Fair Market Value at least ninety (90) days before lease expiration, Lessor and Lessee shall jointly appoint an independent appraiser (reasonably acceptable to Lessee) to determine Fair Market Value. The independent appraiser's determination shall be final, binding and conclusive. Lessee shall bear all costs associated with any such appraisal.

(c) Lessee shall be deemed to have waived this option unless it provides Lessor with written notice of its irrevocable election to exercise the same within fifteen (15) days after Fair Market Value is told to Lessee.

19. MISCELLANEOUS:

(a) LESSEE AND LESSOR UNCONDITIONALLY WAIVE THEIR RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, ANY OF THE RELATED DOCUMENTS, ANY DEALINGS BETWEEN LESSEE AND LESSOR RELATING TO THE SUBJECT MATTER OF THIS TRANSACTION OR ANY RELATED TRANSACTIONS, AND/OR THE RELATIONSHIP THAT IS BEING ESTABLISHED BETWEEN LESSEE AND LESSOR. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT. THIS WAIVER IS IRREVOCABLE. THIS WAIVER MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING. THE WAIVER ALSO SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS AGREEMENT, ANY RELATED DOCUMENTS, OR TO ANY OTHER DOCUMENTS OR AGREEMENTS RELATING TO THIS TRANSACTION OR ANY RELATED TRANSACTION. THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

(b) The Equipment shall remain Lessor's property unless Lessee purchases the Equipment from Lessor and until such time Lessee shall only have the right to use the Equipment as a lessee. Any cancellation or termination by Lessor of this Agreement, any Schedule, supplement or amendment hereto, or the lease of any Equipment hereunder shall not release Lessee from any then outstanding obligations to Lessor hereunder except as otherwise expressly agreed in writing by Lessor and Lessee. All Equipment shall at all times remain personal property of Lessor even though it may be attached to real property. The Equipment shall not become part of any other property by reason of any installation in, or attachment to, other real or personal property .

(c) Time is of the essence of this Agreement. Lessor's failure at any time to require strict performance by Lessee of any of the provisions hereof shall not waive or diminish Lessor's right at any other time to demand strict compliance with this Agreement. Lessee agrees, upon Lessor's request, to execute any instrument necessary or expedient for filing, recording or perfecting the interest of Lessor. All notices required to be given hereunder shall be deemed adequately given if sent by registered or certified mail to the addressee at its address stated herein, or at such other place as such addressee may have specified in writing. This Agreement and any Schedule and Annexes thereto constitute the entire agreement of the parties with respect to the subject matter hereof. NO VARIATION OR MODIFICATION OF THIS AGREEMENT OR ANY WAIVER OF ANY OF ITS PROVISIONS OR CONDITIONS, SHALL BE VALID UNLESS IN WRITING AND SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE PARTIES HERETO.

(d) If Lessee does not materially comply with any provision of this Agreement, Lessor shall have the right, but shall not be obligated, to effect such compliance, in whole or in part. All reasonable amounts spent and obligations incurred or assumed by Lessor in effecting such compliance shall constitute additional rent due to Lessor. Lessee shall pay the additional rent within five days after the date Lessor sends notice to Lessee requesting payment. Lessor's effecting such compliance shall not be a waiver of Lessee's default.

(e) Any rent or other amount not paid to Lessor when due shall bear interest, from the due date until paid, at the lesser of eighteen percent (18%) per annum or the maximum rate allowed by law. Any provisions in this Agreement and any Schedule that are in conflict with any statute, law or applicable rule shall be deemed omitted, modified or altered to conform thereto.

(f) THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL IN ALL RESPECTS BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF CONNECTICUT (WITHOUT REGARD TO THE CONFLICT OF LAWS PRINCIPLES OF SUCH STATE), INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, REGARDLESS OF THE LOCATION OF THE EQUIPMENT.

(g) Any cancellation or termination by Lessor, pursuant to the provisions of this Agreement, any Schedule, supplement or amendment hereto, of the lease of any Equipment hereunder, shall not release Lessee from any then outstanding obligations to Lessor hereunder.

(h) To the extent that any Schedule would constitute chattel paper, as such term is defined in the Uniform Commercial Code as in effect in any applicable jurisdiction, no security interest therein may be created through the transfer or possession of this Agreement in and of itself without the transfer or possession of the original of a Schedule executed pursuant to this Agreement and incorporating this Agreement by reference; and no security interest in this Agreement and a Schedule may be created by the transfer or possession of any counterpart of the Schedule other than the original thereof, which shall be identified as the document marked "Original" and all other counterparts shall be marked "Duplicate."

(i) Any notice required under this Lease may be given by US mail, courier delivery, personal delivery or facsimile transmission at the addresses or facsimile numbers set forth below:

Lessee: 320 Wakara Way
Salt Lake City, UT 84108
FAX: (801) 584-3640

Lessor: 4 North Park Drive
Suite 500
Hunt Valley, MD 21030
FAX: (410) 527-9395

IN WITNESS WHEREOF, Lessee and Lessor have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

LESSOR:	LESSEE:
GENERAL ELECTRIC CAPITAL CORPORATION	MYRIAD GENETICS, INC.
By: /s/ Steve Mann	By: /s/ Jay M. Moyes
Name: Steve Mann	Name: Jay M. Moye
Title:Risk Analyst	Title: V.P. Finance/C.F.O.

Exhibit 10.2

ADDENDUM NO. 1
TO MASTER LEASE AGREEMENT
DATED AS OF DECEMBER 31, 1998

THIS ADDENDUM (this "ADDENDUM") amends and supplements the above referenced lease (the "LEASE"), between GENERAL ELECTRIC CAPITAL CORPORATION ("LESSOR") and MYRIAD GENETICS INC. ("LESSEE") and is hereby incorporated into the Lease as though fully set forth therein. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Lease.

The Lease is hereby amended as follows:

1. XXI. ADDITIONAL COVENANTS.

(a) At all times during the term of the Lease, Lessee shall maintain: (i) unrestricted cash, cash equivalents and investment grade securities (including long term marketable securities) of at least $15,000,000; (ii) a minimum current asset including long term marketable securities) to current liability ratio of 1.50:1.00; (iii) a total liabilities to tangible net worth ratio of no more than 0.50:1; and (iv) a minimum tangible net worth (defined as total shareholders equity minus intangible assets) of $20,000,000. Unrestricted cash, cash equivalents and investment grade securities shall be defined as being net of any non-GE Capital contingent liabilities associated with other lease or loan cash triggers, pledge agreements, etc. Except as defined herein, accounting terms used herein shall be as defined, and all calculations hereunder shall be made, in accordance with GAAP.

(b) Lessee's chief financial officer shall notify Lessor of the amount of Lessee's unrestricted cash, cash equivalents, investment grade securities, tangible net worth, current asset to current liability ratio and total liabilities to tangible net worth ratio, and shall certify that such amounts are in compliance with the requirements of Section XXI(a) above, such notification and certification shall be provided within thirty (30) days after the end of each quarter, reflecting such information as of the end of the quarter immediately preceding such notice, unless Lessee's unrestricted cash, cash equivalents and investment grade securities fall below $15,000,000 at which point reporting becomes monthly. If Lessee fails timely to provide such notification and compliance certificates, within thirty (30) days after such failure, Lessee shall be in default hereunder.

Except as expressly modified hereby, all terms and provisions of the Lease shall remain in full force and effect. This Addendum is not binding nor effective with respect to the Lease or the Equipment until executed on behalf of Lessor and Lessee by authorized representatives of Lessor and Lessee.

IN WITNESS WHEREOF, Lessee and Lessor have caused this Addendum to be executed by their duly authorized representatives as of the date first above written.

LESSOR:	LESSEE:
GENERAL ELECTRIC CAPITAL CORPORATION	MYRIAD GENETICS INC.
By: /s/ Steve Mann	By: /s/ Jay M. Moyes
Name: Steve Mann	Name: Jay M. Moyes
Title: Risk Analyst	Title: V.P. Finance/C.F.O.
	Attest:
	By: /s/ Jeff Johnson

EXHIBIT 10.3

ADDENDUM NO. 2
TO MASTER LEASE AGREEMENT
DATED AS OF DECEMBER 31, 1998

THIS ADDENDUM amends and supplements above lease (the "Lease"), between GENERAL ELECTRIC CAPITAL CORPORATION ("Lessor") and MYRIAD GENETICS, INC. ("Lessee") and is hereby incorporated into the Lease as though fully set forth therein. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Lease.

The Lease is hereby amended as follows:

The following is added as paragraph two to Section III (b):

If, solely as a result of Congressional enactment of any law (including, without limitation, any modification of, or amendment or addition to, the Code, as amended, the Effective Rate is lower than thirty-five percent (35%) for 1998 or any subsequent year during the lease term, then Lessee shall have the right to request a decrease in the rent payments by requiring the Lessor to make a payment of a single sum equal to the product of (i) the Effective Rate (expressed as a decimal) for such year less .35 (or, in the event that any adjustment has been made hereunder for any previous year, the Effective Rate (expressed as a decimal) used in calculating the next previous adjustment) times (ii) the adjusted Stipulated Loss Value divided by the difference between the new Effective Tax Rate (expressed as a decimal) and one (1). The adjusted Stipulated Loss Value shall be the Stipulated Loss Value (calculated as of the first rental due in the year for which such adjustment is being made) less the Tax Benefits that would be allowable under Section 168 of the Code (as of the first day of the year for which such adjustment is being made and all subsequent years of the lease term). Lessor shall pay to Lessee the full amount of the reduction rent payment on the later of (i) receipt of notice or (ii) the first day of the year for which such adjustment is being made.

Except as expressly modified hereby, all terms and provisions of the Lease shall remain in full force and effect. This Addendum is not binding or effective with respect to the Lease or the Equipment until executed on behalf of Lessor and Lessee by authorized representatives of Lessor and Lessee.

IN WITNESS WHEREOF, Lessee and Lessor have caused this Addendum to be executed by their duly authorized representatives as of the date first above written.

LESSOR:	LESSEE:
GENERAL ELECTRIC CAPITAL CORPORATION	MYRIAD GENETICS INC.
By: /s/ Steve Mann	By: /s/ Jay M. Moyes
Name: Steve Mann	Name: Jay M. Moyes
Title: Risk Analyst	Title: V.P. Finance/C.F.O.
	Attest:
	By: /s/ Jeff Johnson

Exhibit 10.4

BIOTECH EQUIPMENT SCHEDULE
SCHEDULE NO. 001
DATED THIS DECEMBER 31, 1998
TO MASTER LEASE AGREEMENT
DATED AS OF DECEMBER 31, 1998

LESSOR & MAILING ADDRESS:	LESSEE & MAILING ADDRESS:
GENERAL ELECTRIC CAPITAL CORPORATION 4 NORTH PARK DRIVE SUITE 500 HUNT VALLEY, MD 21030	MYRIAD GENETICS, INC. 320 WAKARA WAY SALT LAKE CITY, UT 84108

This Schedule is executed pursuant to, and incorporates by reference the terms and conditions of, and capitalized terms not defined herein shall have the meanings assigned to them in, the Master Lease Agreement identified above ("AGREEMENT" said Agreement and this Schedule being collectively referred to as "LEASE"). This Schedule, incorporating by reference the Agreement, constitutes a separate instrument of lease.

A. EQUIPMENT: Subject to the terms and conditions of the Lease, Lessor agrees to Lease to Lessee the Equipment described below (the "EQUIPMENT").

Number of Units	Capitalized Lessors Cost	Manufacturer	Serial Number	Model and Type of Equipment

See Annex A Attached hereto and forming a part hereof

B. FINANCIAL TERMS

1. Advance Rent (if any): $77,685.11
2. Capitalized Lessor's Cost: $ $ 3,551,784.19
3. Basic Term (No. of Months): 48 Months.
4. Basic Term Lease Rate Factor: 2.1872
5. Basic Term Commencement Date: JANUARY 1, 1999
6. Lessee Federal Tax ID No.:
7. Last Delivery Date: DECEMBER 28, 1998
8. Daily Lease Rate Factor: .0729

9. First Termination Date: FORTY (40) months after the Basic Term Commencement Date.

10. Interim Rent: For the period from and including the Lease Commencement Date to but not including the Basic Term Commencement Date ("Interim Period"), Lessee shall pay as rent ("Interim Rent") for each unit of Equipment, the product of the Daily Lease Rate Factor times the Capitalized Lessor's Cost of such unit times the number of days in the Interim Period. Interim Rent shall be due on DECEMBER 31, 1998.

11. Basic Term Rent. Commencing on __ JANUARY 1, 1999 and on the same day of each month thereafter (each, a "Rent Payment Date") during the Basic Term, Lessee shall pay as rent ("Basic Term Rent") the product of the Basic Term Lease Rate Factor times the Capitalized Lessor's Cost of all Equipment on this Schedule.

C. TAX BENEFITS Depreciation Deductions:

1. Depreciation method is the 200% declining balance method, switching to straight line method for the 1st taxable year for which using the straight line method with respect to the adjusted basis as of the beginning of such year will yield a larger allowance
2. Recovery Period: FIVE (5) YEARS.
3. Basis: 100% of Capitalized Lessors Cost.

D. PROPERTY TAX

APPLICABLE TO EQUIPMENT LOCATED IN 320 WAKARA WAY SALT LAKE CITY, UT 84108: Lessee agrees that it will not list any of such Equipment for property tax purposes or report any property tax assessed against such Equipment until otherwise directed in writing by Lessor. Upon receipt of any property tax bill pertaining to such Equipment from the appropriate taxing authority, Lessor will pay such tax and will invoice Lessee for the expense. Upon receipt of such invoice, Lessee will promptly reimburse Lessor for such expense.

Lessor may notify Lessee (and Lessee agrees to follow such notification) regarding any changes in property tax reporting and payment responsibilities.

E. ARTICLE 2A NOTICE

IN ACCORDANCE WITH THE REQUIREMENTS OF ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE AS ADOPTED IN THE APPLICABLE STATE, LESSOR HEREBY MAKES THE FOLLOWING DISCLOSURES TO LESSEE PRIOR TO EXECUTION OF THE LEASE, (A) THE PERSON(S) SUPPLYING THE EQUIPMENT IS SEE ANNEX A ATTACHED HERETO AND FORMING A PART HEREOF (THE "SUPPLIER(S)"), (B) LESSEE IS ENTITLED TO THE PROMISES AND WARRANTIES, INCLUDING THOSE OF ANY THIRD PARTY, PROVIDED TO THE LESSOR BY SUPPLIER(S), WHICH IS SUPPLYING THE EQUIPMENT OR DELIVERY OF THE SAME IN CONNECTION WITH OR AS PART OF THE CONTRACT BY WHICH LESSOR ACQUIRED THE EQUIPMENT AND (C) WITH RESPECT TO SUCH EQUIPMENT, LESSEE MAY COMMUNICATE WITH SUPPLIER(S) AND RECEIVE AN ACCURATE AND COMPLETE STATEMENT OF SUCH PROMISES AND WARRANTIES, INCLUDING ANY DISCLAIMERS AND LIMITATIONS OF THEM OR OF REMEDIES. TO THE EXTENT PERMITTED BY APPLICABLE LAW, LESSEE HEREBY WAIVES ANY AND ALL RIGHTS AND REMEDIES CONFERRED UPON A LESSEE IN ARTICLE 2A AND ANY RIGHTS NOW OR HEREAFTER CONFERRED BY STATUTE OR OTHERWISE WHICH MAY LIMIT OR MODIFY ANY OF LESSOR'S RIGHTS OR REMEDIES UNDER THE DEFAULT AND REMEDIES SECTION OF THE AGREEMENT.

F. STIPULATED LOSS AND TERMINATION VALUE TABLE*

See Annex B attached hereto and forming a part hereof

*The Stipulated Loss Value or Termination Value for any unit of Equipment shall be the Capitalized Lessor's Cost of such unit multiplied by the appropriate percentage derived from the above table. In the event that the Lease is for any reason extended, then the last percentage figure shown above shall control throughout any such extended term.

G. MODIFICATIONS AND ADDITIONS FOR THIS SCHEDULE ONLY

For purposes of this Schedule only, the Agreement is amended as follows:

1. The LEASING Section subsection (b) of the Lease is hereby deleted in its entirety and the following substituted in its stead:

b) The obligation of Lessor to purchase the Equipment from Lessee and to lease the same to Lessee shall be subject to receipt by Lessor, on or prior to the earlier of the Lease Commencement Date or Last Delivery Date therefor, of each of the following documents in form and substance satisfactory to Lessor: (i) a Schedule for the Equipment (ii) evidence of insurance which complies with the requirements of the INSURANCE Section of the Lease, and (iii) such other documents as Lessor may reasonably request. Once the Schedule is signed, the Lessee may not cancel the Lease.

2. The DELIVERY, USE AND OPERATION Section subsection (a) of the Lease shall be deleted and the following substituted in its stead:

The parties acknowledge that this is a sale/leaseback transaction and the Equipment is in Lessee's possession as of the Lease Commencement Date.

3. BILL OF SALE

Lessee, in consideration of the Lessor's payment of the amount set forth in B 2. above, which includes any applicable sales taxes (which payment Lessee acknowledges), hereby grants, sells, assigns, transfers and delivers to Lessor the Equipment along with whatever claims and rights Lessee may have against the manufacturer and/or Supplier of the Equipment, including but not limited to all warranties and representations. At Lessors request Lessee will cause Supplier to deliver to Lessor a written statement wherein the Supplier (i) agrees not to retain any security interest, lien or other encumbrance in or upon

the Equipment at any time, and to execute such documents as Lessor may request to evidence the release of any such encumbrance, and (ii) represents and warrants to Lessor (x) that Supplier has previously conveyed full title to the Equipment to Lessee, (y) that the Equipment was delivered to Lessee and installation completed, and (z) that the final purchase price of the Equipment (or a specified portion of such purchase price) has been paid by Lessee.

Lessor is purchasing the Equipment for leasing back to Lessee pursuant to the Lease. Lessee represents and warrants to Lessor that (i) Lessor will acquire by the terms of this Bill of Sale good title to the Equipment free from all liens and encumbrances whatsoever; (ii) Lessee has the right to sell the Equipment; and (iii) the Equipment has been delivered to Lessee in good order and condition, and conforms to the specifications, requirements and standards applicable thereto; and (iv) the equipment has been accurately labeled, consistent with the requirements of 40 CFR part 82 Subpart E, with respect to products manufactured with a controlled (ozone-depleting) substance.

Lessee agrees to save and hold harmless Lessor from and against any and all federal, state, municipal and local license fees and taxes of any kind or nature, including, without limiting the generality of the foregoing, any and all excise, personal property, use and sales taxes, and from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions and suits resulting therefrom and imposed upon, incurred by or asserted against Lessor as a consequence of the sale of the Equipment to Lessor.

4. ACCEPTANCE

Pursuant to the provisions of the Lease, as it relates to this Schedule, Lessee hereby certifies and warrants that (i) all Equipment listed above has been delivered and installed (if applicable); (ii) Lessee has inspected the Equipment, and all such testing as it deems necessary has been performed by Lessee, Supplier or the manufacturer; and (iii) Lessee accepts the Equipment for all purposes of the Lease, the purchase documents and all attendant documents.

Lessee does further certify that as of the date hereof (i) Lessee is not in default under the Lease; (ii) the representations and warranties made by Lessee pursuant to or under the Lease are true and correct on the date hereof and (iii) Lessee has reviewed and approves of the purchase documents for the Equipment, if any.

5. EQUIPMENT SPECIFIC PROVISIONS

The MAINTENANCE Section of the Lease is amended by adding the following as the fifth sentence in subsection (a):

Lessee agrees that upon return of the Equipment, it will comply with all original manufacturer's performance specifications for new Equipment without expense to Lessor. Lessee shall, if requested by Lessor, obtain a certificate or service report from the manufacturer attesting to such condition.

Each reference contained in this Agreement to:

(a) "Adverse Environmental Condition"shall refer to (i) the existence or the continuation of the existence, of an Environmental Emission (including, without limitation, a sudden or non-sudden accidental or non-accidental Environmental Emission), of, or exposure to, any substance, chemical, material, pollutant, Contaminant, odor or audible noise or other release or emission in, into or onto the environment (including, without limitation, the air, ground, water or any surface) at, in, by, from or related to any Equipment, (ii) the environmental aspect of the transportation, storage, treatment or disposal of materials in connection with the operation of any Equipment or (iii) the violation, or alleged violation of any statutes, ordinances, orders, rules regulations, permits or licenses of, by or from any governmental authority, agency or court relating to environmental matters connected with any Equipment.

(b) "Affiliate"shall refer, with respect to any given Person, to any Person that directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person.

(c) "Contaminant"shall refer to those substances which are regulated by or form the basis of liability under any Environmental Law, including, without limitation, asbestos, polychlorinated biphenyls ("PCB's"), and radioactive substances, or other material or substance which has in the past or could in the future constitute a health, safety or environmental hazard to any Person, property or natural resources.

(d) "Environmental Claim"shall refer to any accusation, allegation, notice of violation, claim, demand, abatement or other order on direction (conditional or otherwise) by any governmental authority or any Person for personal injury (including sickness, disease or death), tangible or intangible property damage, damage to the environment or other adverse effects on the environment, or for fines, penalties or restrictions, resulting from or based upon any Adverse Environmental Condition.

(e) "Environmental Emission"shall refer to any actual or threatened release, spill, emission, leaking, pumping, injection, deposit, disposal, discharge, dispersal, leaching or migration into the indoor or outdoor environment, or into or out of any of the Equipment, including, without limitation, the movement of any Contaminant or other substance through or in the air, soil, surface water, groundwater or property.

(f) "Environmental Law"shall mean any federal, foreign, state or local law, rule or regulation pertaining to the protection of the environment, including, but not limited to, the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA") (42 U.S.C. Section 9601 et seq .), the Hazardous Material Transportation Act (49 U.S.C. Section 1801 et seq .), the Federal Water Pollution Control Act (33 U.S.C. Section 1251 et seq .), the Resource Conservation and Recovery Act (42 U.S.C. Section 6901 et seq .), the Clean Air Act (42 U.S.C. Section 7401 et seq .), the Toxic Substances Control Act (15 U.S.C. Section 2601 et seq .), the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. Section 1361 et seq .), and the Occupational Safety and Health Act (19 U.S.C. Section 651 et seq .), as these laws have been amended or supplemented, and any analogous foreign, federal, state or local statutes, and the regulations promulgated pursuant thereto.

(g) "Environmental Loss"shall mean any loss, cost, damage, liability, deficiency, fine, penalty or expense (including, without limitation, reasonable attorneys' fees, engineering and other professional or expert fees), investigation, removal, cleanup and remedial costs (voluntarily or involuntarily incurred) and damages to, loss of the use of or decrease in value of the Equipment arising out of or related to any Adverse Environmental Condition.

(h) "Person"shall include any individual, partnership, corporation, trust, unincorporated organization, government or department or agency thereof and any other entity.

Lessee shall fully and promptly pay, perform, discharge, defend, indemnify and hold harmless Lessor and its Affiliates, successors and assigns, directors, officers, employees and agents from and against any Environmental Claim or Environmental Loss.

The provisions of this Schedule shall survive any expiration or termination of the Lease and shall be enforceable by Lessor, its successors and assigns.

The MAINTENANCE Section subsection (a) of the Lease shall be amended by adding the following at the end thereof:

RETURN PROVISIONS: In addition to the provisions provided for in the RETURN OF EQUIPMENT Section of the Lease, and provided that Lessee has elected not to exercise its option to purchase the Equipment Lessee shall, at its expense:

(a) at least one hundred twenty (120) days and not more thanone hundred eighty (180) days prior to expiration or earlier termination of the Lease, provide to Lessor a detailed inventory of all components of the Equipment. The inventory should include, but not be limited to, a listing of model and serial numbers for all components comprising the Equipment;

(b) at least one hundred twenty (120)days prior to expiration or earlier termination of the Lease, with reference to computer based equipment comprising the Equipment, provide to Lessor a detailed listing of all internal circuit boards by both the model and serial number for all hardware comprising the Equipment and a listing of all software features listed individually;

(c) at least one hundred twenty (120)days prior to expiration or earlier termination of the Lease, upon receiving reasonable notice from Lessor, provide or cause the vendor(s) or manufacturer(s) to provide to Lessor the following documents: (i) one set of service manuals, and operating manuals including replacements and/or additions thereto, such that all documentation is completely up-to-date; (ii) one set of documents, detailing equipment configuration, operating requirements, maintenance records, and other technical data concerning the set-up and operation of the Equipment, including replacements and/or additions thereto, such that all documentation is completely up-to-date;

(d) at least one hundred twenty (120)) days prior to expiration or earlier termination of the Lease, upon receiving reasonable notice from Lessor, make the Equipment available for on-site operational inspections by potential purchasers, under power, and provide personnel, power and other requirements necessary to demonstrate electrical and mechanical systems for each item of the Equipment;

(e) at least one hundred twenty (120)days prior to expiration or earlier termination of the Lease, cause manufacturer's representative or qualified equipment maintenance provider, acceptable to Lessor, (the"Authorized Inspector") to perform a comprehensive physical inspection, including testing all material and workmanship of the Equipment and ensure all Equipment and equipment operations conform to all applicable local, state, and federal laws, health and safety guidelines including the then current FDA regulations; and if during such inspection, examination and test, the Authorized Inspector finds any of the material or workmanship to be defective or the Equipment not operating within manufacturer's specifications and the then current FDA regulations, then Lessee shall repair or replace such defective material and, after corrective measures are completed, Lessee will provide for a follow-up inspection of the Equipment by the Authorized Inspector as outlined in the preceding clause;

(f) have each item of Equipment returned with an in-depth field service report detailing said inspection as outlined in Section (e) above. The report shall certify that the Equipment has been properly inspected, examined and tested and is operating within the manufacturer's specifications;

(g) provide that all Equipment will be cleaned and cosmetically acceptable, and in such condition so that it may be immediately installed and placed into use in a similar environment;

(h) properly remove or treat all rust or corrosion;

(i) ensure all items of Equipment will be completely sterilized, steam-cleaned, and de-greased upon redelivery;

(j) properly remove all Lessee installed markings which are not necessary for the operation, maintenance or repair of the Equipment;

(k) ensure the Equipment shall be mechanically and structurally sound, capable of performing the functions for which the Equipment was originally designed, in accordance with the manufacturer's published and recommended specifications;

(l) provide for the deinstallation, packing, transporting, and certifying of the Equipment to include, but not limited to, the following: (i) the manufacturer's representative shall de-install all Equipment (including all wire, cable and mounting hardware) in accordance with the specifications of the manufacturer; (ii) each item of Equipment will be returned with a certificate supplied by the manufacturer's representative qualifying the Equipment to be in good condition and (where applicable) to be eligible for the manufacturer's maintenance plan; the certificate of eligibility shall be transferable to another operator of the Equipment; (iii) the Equipment shall be packed properly and in accordance with the manufacturer's recommendations, free from all contaminants; (iv) Lessee shall provide for transportation of the Equipment in a manner consistent with the manufacturer's recommendations and practices to any locations within the continental United States as Lessor shall direct; and shall have the Equipment unloaded at such locations; (v) Lessee shall obtain and pay for a policy of transit insurance for the redelivery period in an amount equal to the replacement value of the Equipment and Lessor shall be named as the loss payee on all such policies of insurance; and (vi) Lessee shall provide insurance and safe, secure storage for the Equipment for ninety (90) days after expiration or earlier termination of the Lease at accessible locations satisfactory to Lessor.

H. PAYMENT AUTHORIZATION

You are hereby irrevocably authorized and directed to deliver and apply the proceeds due under this Schedule as follows:

COMPANY NAME	ADDRESS	AMOUNT
Myriad Genetics Inc.	320 Wakara Way Salt Lake City, UT 84108	$3,551,784.19

This authorization and direction is given pursuant to the same authority authorizing the above-mentioned financing.

Except as expressly modified hereby, all terms and provisions of the Agreement shall remain in full force and effect. This Schedule is not binding or effective with respect to the Agreement or Equipment until executed on behalf of Lessor and Lessee by authorized representatives of Lessor and Lessee, respectively.

IN WITNESS WHEREOF, Lessee and Lessor have caused this Schedule to be executed by their duly authorized representatives as of the date first above written.

LESSOR:	LESSEE:
GENERAL ELECTRIC CAPITAL CORPORATION	MYRIAD GENETICS, INC.
By: /s/ Annette Scallion	By: /s/ Jay M. Moyes
Name: Annette Scallion	Name: Jay M. Moyes
Title: Senior Transaction Coordinator	Title: V.P. Finance/C.F.O.
	ATTEST
	By: /s/ Jeff Johnson
	Name: Jeff Johnson

EXHIBIT 10.5

ANNEX A TO EQUIPMENT SCHEDULE NO. 0001
TO MASTER LEASE AGREEMENT DATED DECEMBER 31, 1998

ID	Equipment Description	Invoice #	Price
11059	Tecan #1	115981	$ 55,052.25
51262	Robot B	114828, 115571	$ 55,387.48
51263	Robot C	114829, 115572	$ 49,757.13
51264	Robot D	114830, 115604	$ 49,757.13
51265	Robot E	116625, 116912	$ 55,052.25
12445	377 DNA Sequencer	724320	$ 76,216.49
	377XL DNA Sequencer Upgrade	90170552	$ 14,250.00
12446	377 DNA Sequencer	728053	$ 74,086.03
	377XL DNA Sequencer Upgrade	90170552	$ 14,250.00
12447	377 DNA Sequencer	728053	$ 74,086.03
	377XL DNA Sequencer Upgrade	90170552	$ 14,250.00
51326	377 DNA Sequencer	724320	$ 76,216.49
	377XL DNA Sequencer	90170552	$ 14,250.00
51328	377 DNA Sequencer	724320	$ 76,216.49
	377XL DNA Sequencer Upgrade	90170552	$ 14,250.00
51329	377 DNA Sequencer	724320	$ 76,216.49
	377XL DNA Sequencer Upgrade	90170552	$ 14,250.00
51330	377 DNA Sequencer	728053	$ 74,086.03
	377XL DNA Sequencer Upgrade	90170552	$ 14,250.00
	377 DNA Sequencer with		
11421	377 Seq. Kit	733469	$ 74,844.83
	377XL DNA Sequencer Upgrade	90170552	$ 14,250.00
	377 DNA Sequencer with		
11422	377 Seq. Kit	733469	$ 74,844.83
	377XL DNA Sequencer Upgrade	90170552	$ 14,250.00
	377 DNA Sequencer with		
11423	377 Seq. Kit	733469	$ 74,844.83
	377XL DNA Sequencer Upgrade	90170552	$ 14,250.00
	377 DNA Sequencer with		
11427	377 Seq. Kit	730516	$ 75,643.59
	377XL DNA Sequencer Upgrade	90170552	$ 14,250.00
	377 DNA Sequencer with		
11425	377 Seq. Kit	730516	$ 75,643.58
	377XL DNA Sequencer Upgrade	90170552	$ 14,250.00
	377 DNA Sequencer with		
11426	377 Seq. Kit	730516	$ 75,643.58
	377XL DNA Sequencer Upgrade	90170552	$ 14,250.00

Lessee's Initials

Lessor's Initials

51345	Tecan Robot	118815	$ 46,976.38
51346	Tecan Robot	118816	$ 46,976.38
11695	Auto 740 Nucleic Acid Purification System	51868	$ 50,283.75
11142	Tecan	120434	$ 53,327.91
11144	Tecan	119214	$ 53,340.98
11255	50% prepay for Robot	93096	$ 14,155.63
51000	Abi Prism 377 SNA Sequencer	800783	$ 71,367.45
	377XL DNA Sequencer Upgrade	90046372	$ 14,250.00
51001	Abi Prism 377 SNA Sequencer	800783	$ 70,550.76
	377XL DNA Sequencer Upgrade	90081723	$ 12,765.11
51002	Abi Prism 377 SNA Sequencer	800783	$ 70,550.76
	377XL DNA Sequencer Upgrade	90081723	$ 12,765.11
51015	Tecan Robot	122229	$ 55,243.65
51016	Tecan Robot	122231	$ 59,929.65
51017	Tecan Robot	122230	$ 55,243.65
11684	Tecan Genesis 150	123784	$ 68,230.27
11685	Tecan Genesis 150	123768	$ 68.230.27
11686	Tecan Genesis 150	123786	$ 68,230.27
11691	Storm Model 840 Pkg	119612	$ 60,885.96
11972	Upgrade Storm 840	120300	$ 9,600.00
11690	1/2 of Robot	2413	$ 17,487.62
51392	Sun Server 3000	BB101636	$ 61,866.40
11850	Storage Array	BB1051785	$ 59.941.60
12052	PlateMate Auto 96 ch Pipettor	61167	$ 49,557.76
12262	AutoGen 740 Nucleic Acid Purification System	59741	$ 87,560.00
12261	fMax Fluorescence Microplate reader	13100231	$ 25,388.00
12403	Enterprise 4000/250	BB1055116	$126,641.60
12857	Ultra 11 300	BB1054893	$ 41,339.20
12502	Automated DNA Synthesizer System	90084718	$146,187.00
12541	Sun SparcStorage Array w/ Sbus 1/0 Board	BB1055737	$ 78,876.00
12584	DNA Sequencer, Prism 377	90144166	$110,883.00
	377XL DNA Sequencer Upgrade	90081723	$ 12,765.11
12585	DNA Sequencer, Prism 377	90144166	$110,883.00
	377XL DNA Sequencer Upgrade	90081723	$ 12,765.11

Lessee's Initials

Lessor's Initials

ANNEX A TO EQUIPMENT SCHEDULE NO. 001
TO MASTER LEASE AGREEMENT DATED DECEMBER 31, 1998

12586	DNA Sequencer, Prism 377	90144166	$110,883.00
	377XL DNA Sequencer Upgrade	90081723	$ 12,765.11
12587	DNA Sequencer, Prism 377	90144166	$110,883.00
	377XL DNA Sequencer Upgrade	90081723	$ 12,765.11
	Resonetics MicroMaster UV	50%DWN PT	
112803	MicroMachiniq System	8598, 8626	$158,436.98
			$3,551,784.19

Lessee's Initials

Lessor's Initials

EXHIBIT 10.6

ANNEX B
TO
SCHEDULE NO. 001
TO MASTER LEASE AGREEMENT
DATED AS OF DECEMBER 31, 1998

STIPULATED LOSS AND TERMINATION VALUE TABLE *

Rental	Stipulated Loss/ Termination Value	Rental	Stipulated Loss/ Termination Value
1	107.184	25	69.005
2	105.786	26	67.256
3	104.376	27	65.494
4	102.928	28	63.723
5	101.443	29	61.942
6	99.945	30	60.152
7	98.432	31	58.353
8	96.906	32	56.540
9	95.367	33	54.718
10	93.813	34	52.887
11	92.246	35	51.042
12	90.665	36	49.187
13	89.069	37	47.323
14	87.460	38	45.445
15	85.839	39	43.552
16	84.207	40	41.650
17	82.564	41	39.739
18	80.910	42	37.817
19	79.245	43	35.886
20	77.568	44	33.941
21	75.879	45	31.985
22	74.179	46	30.019
23	72.465	47	28.040
24	70.741	48	26.049

INITIALS: _____ _____
Lessor Lessee

* The Stipulated Loss Value or Termination Value for any unit of Equipment shall be equal to the Capitalized Lessor's Cost of such unit multiplied by the appropriate percentage derived from the above table. In the event that the Lease is for any reason extended, then the last percentage figure shown above shall control throughout any such extended term.

EXHIBIT 10.7

ADDENDUM
TO SCHEDULE NO. 001
TO MASTER LEASE AGREEMENT
DATED AS OF DECEMBER 31, 1998

THIS ADDENDUM (this "ADDENDUM") amends and supplements the above referenced schedule (the "SCHEDULE") to the above referenced lease (the "LEASE"), between GENERAL ELECTRIC CAPITAL CORPORATION ("LESSOR") and MYRIAD GENETICS INC. ("LESSEE") and is hereby incorporated into the Schedule as though fully set forth therein. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Lease.

For purposes of this Schedule only, the Lease is amended as follows:

(A) The following is substituted in place of Section 18 of the Lease:

18. END OF BASIC TERM OPTIONS:

At the expiration of the Basic Term (the "BASIC TERM EXPIRATION DATE"), so long as no default has occurred and is continuing hereunder and this Agreement has not been earlier terminated, Lessee shall exercise one of the following options:

a. Renewal Option.

(i) Lessee may, upon at least thirty (30)) days, but not more than ninety (90) days, prior written notice to Lessor, extend the term of the applicable Schedule with respect to all (but not less than all) of the Equipment in such Schedule for a period to be mutually agreed upon by both Lessor and Lessee (the "RENEWAL PERIOD") for a scheduled monthly rental equal to the monthly Fair Market Rental Value thereof determined as of the end of the Basic Term.

(ii) The term "Fair Market Rental Value" shall mean the price which a willing lessee would pay for the rental of the Equipment in an arms-length transaction to a willing lessor under no compulsion to lease for a time period similar to the Renewal Period; provided, however, that in such determination: (i) the Equipment shall be assumed to be in the condition in which it is required to be maintained and returned under this Agreement; (ii) in the case of any installed additions to the Equipment, same shall be valued on an installed basis; and (iii) costs of removal of the Equipment from the current location shall not be a deduction from such valuation. If Lessor and Lessee are unable to agree on the Fair Market Rental Value at least sixty (60) days prior to the Basic Term Expiration Date, Lessor shall appoint an independent appraiser (reasonably acceptable to Lessee) to determine Fair Market Rental Value, and that determination shall be final, binding and conclusive. Lessee shall bear all costs associated with any such appraisal.

(iii) Lessee shall be deemed to have waived this option unless it provides Lessor with written notice of its irrevocable election to exercise the same within fifteen (15) days after the Fair Market Rental Value is determined (by agreement or appraisal).

b. Purchase Option.

(i) Lessee may, upon at least thirty (30) days, but no more than ninety (90) days, prior written notice to Lessor, purchase all (but not less than all) of the Equipment in any Schedule on an AS IS BASIS, without recourse to, or warranty from, Lessor for the then Fair Market Value of the Equipment (plus all applicable sales taxes). On the Basic Term Expiration Date, Lessor shall receive, in cash, the full purchase price (plus all applicable sales taxes) together with any Rent or other sums then due under the applicable Schedule on such date.

(ii) The term "FAIR MARKET VALUE" shall mean the price which a willing buyer (who is neither a lessee in possession nor a used equipment dealer) would pay for the Equipment in an arm's-length transaction to a willing seller under no compulsion to sell; provided , however , that in such determination: (i) the Equipment shall be assumed to be in the condition in which it is required to be maintained and returned under this Agreement; (ii) in the case of any installed Equipment, that Equipment shall be valued on an installed basis; and (iii) costs of removal of the Equipment from the current location shall not be a deduction from such valuation. Lessee shall appoint an independent appraiser (with at least one current professional designation and reasonably acceptable to Lessor) to determine Fair Market Value, and that determination shall be final, binding and conclusive. Lessee shall bear all costs associated with any such appraisal.

(iii) Lessee shall be deemed to have waived this option if it fails to timely provide Lessor with the required written notice of its election to exercise the same or unless it provides Lessor with written notice of its irrevocable election to exercise the same within fifteen (15) days after the Fair Market Value is determined (by appraisal).

c. Return Option. In the event Lessee fails to exercise the renewal or purchase option referred to above, Lessee shall return all (but not less than all) of the Equipment pursuant to the terms of Agreement and the applicable Schedule, including, without limitation, any and all return conditions. Lessee agrees that if it elects to return the equipment for the first Schedule, Lessee shall be deemed to have elected to return all other Schedules under this Agreement in which General Electric Capital Corporation is the "Lessor".

(B) The following is substituted in place of Section 17 of the Lease:

17. EARLY PURCHASE OPTION.

(a) Provided that the Lease has not been earlier terminated and provided further that Lessee is not in default under the Lease or any other agreement between Lessor and Lessee, Lessee may, UPON AT LEAST 30 DAYS BUT NO MORE THAN 270 DAYS PRIOR WRITTEN NOTICE TO LESSOR OF LESSEE'S IRREVOCABLE ELECTION TO EXERCISE SUCH OPTION, purchase all (but not less than all) of the Equipment listed and described in this Schedule on the rent payment date (the "EARLY PURCHASE DATE") which is 40 months from the Basic Term Commencement Date of the Schedule for a price equal to $ 955,181.32(the "FMV EARLY OPTION PRICE"), plus all applicable sales taxes on an AS IS BASIS. Lessor and Lessee agree that the FMV Early Option Price is a reasonable prediction of the Fair Market Value (as such term is defined in Section 18(b) hereof) of the Equipment at the time the option is exercisable. Lessor and Lessee agree that if Lessee makes any non-severable improvement to the Equipment which increases the value of the Equipment and is not required or permitted by Sections 7 or 9 of the Lease prior to lease expiration, then at the time of such option being exercised, Lessor and Lessee shall adjust the purchase price to reflect any addition to the price anticipated to result from such improvement. (The purchase option granted by this subsection shall be referred to herein as the "EARLY PURCHASE OPTION".)

(b) If Lessee exercises its Early Purchase Option with respect to the Equipment leased hereunder, then on the Early Purchase Option Date, Lessee shall pay to Lessor any Rent and other sums due and unpaid on the Early Purchase Option Date and Lessee shall pay the FMV Early Option Price, plus all applicable sales taxes, to Lessor in cash.

Except as expressly modified hereby, all terms and provisions of the Lease shall remain in full force and effect. This Addendum is not binding nor effective with respect to the Lease or the Equipment until executed on behalf of Lessor and Lessee by authorized representatives of Lessor and Lessee.

IN WITNESS WHEREOF, Lessee and Lessor have caused this Addendum to be executed by their duly authorized representatives as of the date first above written.

LESSOR:	LESSEE:
GENERAL ELECTRIC CAPITAL CORPORATION	MYRIAD GENETICS INC.
By: /s/ Annette Scallion	By: /s/ Jay M. Moyes
Name: Annette Scallion	Name: Jay M. Moyes
Title: Senior Transaction Coordinator	Title: V.P. Finance/C.F.O.
	Attest:
	By: /s/ Jeff Johnson
	Name: Jeff Johnson

EXHIBIT 10.8

COLLABORATIVE RESEARCH, LICENSE AND CO-PROMOTION AGREEMENT

dated as of October 5, 1998

by and between

SCHERING AKTIENGESELLSCHAFT

And

MYRIAD GENETICS, INC

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COLLABORATIVE RESEARCH, LICENSE

AND CO-PROMOTION AGREEMENT

This COLLABORATIVE RESEARCH, LICENSE AND CO-PROMOTION AGREEMENT (this "Agreement"), made as of the 5th day of October, 1998 (the "Effective Date"), by and between SCHERING AKTIENGESELLSCHAFT, a German corporation (hereinafter "SCHERING"), and MYRIAD GENETICS, INC., a Delaware corporation (hereinafter "MYRIAD"). SCHERING and MYRIAD are sometimes referred to herein individually as a "Party" and collectively as the "Parties."

W I T N E S S E T H:

WHEREAS, MYRIAD has expertise in the discovery and characterization of genes related to major common diseases and in the development and marketing of human diagnostic products and services derived from disease genes, and has developed a proprietary ProNet Technology to identify and compile protein-protein Interactions with potential application in the development of human diagnostic and therapeutic products;

WHEREAS, SCHERING has expertise in discovering, developing, manufacturing, distributing and marketing human therapeutic products;

WHEREAS, MYRIAD and SCHERING are interested in entering into an agreement whereby MYRIAD and SCHERING will jointly perform research using MYRIAD's proprietary ProNet Technology to identify Genes and Interactive Proteins and whereby SCHERING shall have the option to obtain from MYRIAD a license to the results of such research for the discovery, development, manufacture and marketing of Human Therapeutic Products derived from such Genes and Interactive Proteins; and

WHEREAS, SCHERING desires to grant to MYRIAD, and MYRIAD desires to obtain, rights to Co-Promote Human Therapeutic Products derived from such Genes and Interactive Proteins in the Co-Promotion Territory.

NOW THEREFORE, in consideration of the premises, and the representations, covenants and agreements hereinafter set forth, and for other good and valuable consideration, the adequacy and sufficiency of which is hereby acknowledged, the Parties hereto, intending to be legally bound, do hereby agree as follows:

ARTICLE I

DEFINITIONS

SECTION 1.1 Definitions. As used in this Agreement, the following terms, when capitalized, shall have the meanings ascribed to them below.

"Abandoned Product" has the meaning set forth in Section 4.9.

"Acquiring Party" means any Third Party (including a "group" within the meaning of Section 13(d) of the Securities Exchange Act of 1934, as amended) that, together with its affiliates, has annual worldwide pharmaceutical revenues of $500 million or greater, or that is then adverse to SCHERING or MYRIAD, as the case may be, in material litigation matters or has been at any time in the three (3) years prior to the time in question.

"Advertising" means the promotion of the Co-Promotion Products in the Co-Promotion Territory incurred by a Party through any means, including, without limitation, (i) television and radio advertisements; (ii) advertisements appearing in journals, newspapers, magazines or other media; (iii) seminars and conventions; (iv) packaging design; (v) professional education programs; (vi) samples (including related costs for manufacturing, shipping, and use taxes), visual aids and other selling materials; (vii) hospital formulary committee presentations; and (viii) presentations to state and other governmental formulary committees; provided, however, that Advertising shall exclude Detailing and General Public Relations.

"Affiliate" means any person, corporation, partnership, firm, joint
venture or other entity which, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, SCHERING or MYRIAD, as the case may be. As used in this definition, "control" means the possession of the power to direct or cause the direction of the management and policies of an entity, whether through the ownership of the outstanding voting securities or by contract or otherwise.

"Allocated Administration Expenses" means the administration expenses
incurred by any Operating Unit that is actually directly engaged in the Drug Discovery and Early Development, Development or Commercialization of Co-Promotion Products in the Co-Promotion Territory. Administrative expenses of a Party or Operating Units not engaged in the Development or Commercialization of Co-Promotion Products in the Co-Promotion Territory shall not be recoverable as an Allocated Administrative Expense or otherwise.

"Annual Research Plan" means the written plan describing the research
in the Field to be carried out during each year of the Research Program by MYRIAD and SCHERING pursuant to this Agreement. Each Annual Research Plan will be set forth in a written document adopted by the JRSC.

"Bait" means initial DNA, RNA, expressed sequence tags and proteins
that are used in the ProNet Technology pursuant to the Research Program to identify and select the Interactive Proteins that bind to or interact with any Bait.

"Business Day" means a day other than a Saturday, Sunday or other day
on which banking institutions in the State of New Jersey are authorized or required by law to close.

"Change of Control" means the occurrence of any of the following with
respect to MYRIAD or SCHERING, as the case may be, at any time after the date hereof:

(a) any Acquiring Party shall have acquired or become the beneficial owner of securities representing forty percent (40%) or more of the aggregate voting power of the then outstanding voting securities of MYRIAD or SCHERING, as the case may be, or the surviving entity of any merger transaction, whether by merger, consolidation, tender offer, reorganization or similar means; or

(b) any sale by MYRIAD of all or substantially all of MYRIAD's pharmaceutical and/or ProNet Technology-related assets, or any sale by SCHERING of all or substantially of all SCHERING's pharmaceutical assets, in each case to any Acquiring Party.

"Commercialization" and "Commercialize" refers to all activities
undertaken pursuant to an approved Commercialization Plan relating to the manufacture, marketing and sale of a Co-Promotion Product.

"Commercialization Budget" has the meaning set forth in Section 5.6.

"Commercialization Costs" means those expenses incurred by a Party for
a Co-Promotion Product which are generally consistent with a Commercialization Plan and Commercialization Budget and are specifically attributable to such Co-Promotion Product in the Co-Promotion Territory, and shall consist of (i) Cost of Goods Sold, (ii) Marketing expenses, (iii) Distribution expenses, (iv) Post-Launch Product R&D expenses, (v) Allocated Administration Expenses, and (vi) a Cost of Capital Allowance.

"Commercialization Plan" has the meaning set forth in Section 5.6.

"Completion of Pivotal Clinical Trials" means the end of the first
clinical trial which, when completed, will have demonstrated to the DDMC's reasonable satisfaction that a Human Therapeutic Product (i) is

safe and efficacious, (ii) has an established dose, (iii) has an established route of administration and (iv) has a treatment schedule in the target population, all sufficient for the purpose of supporting a Drug Approval Application.

"Confidential Information" means all confidential information (including but not limited to confidential information about any element of Technology) which is disclosed by one Party to the other hereunder or under the Confidentiality Agreement referred to in Section 7.5 to the extent that such information (i) as of the date of disclosure is not demonstrably known to the Party receiving such disclosure or its Affiliates as shown by written documentation other than by virtue of a prior confidential disclosure to such Party or its Affiliates; or (ii) as of the date of disclosure or thereafter is not disclosed in published literature or not otherwise generally known to the public through no fault or omission of the Party receiving such disclosure; or (iii) as of the date of disclosure or thereafter is not obtained from a Third Party free from any obligation of confidentiality to the disclosing Party and having the lawful right to disclose it.

"Control" or "Controlled" refers to possession of the ability to grant a license or sublicense of patent rights, know-how or other intangible rights as provided for herein without violating the terms of any agreement or other arrangement with any Third Party.

"Co-Promotion," "Co-Promote" or "Co-Promoting" means the Detailing by different entities, using their own separate sales forces, of a Co-Promotion Product with the same trade dress, under the same trademark, using the same Advertising, and with SCHERING designated to handle distribution and to record sales.

"Co-Promotion Exercise Notice" has the meaning set forth in Section 5.2(a).

"Co-Promotion Exercise Payment" has the meaning set forth in Section 6.1.

"Co-Promotion Option" means MYRIAD's option pursuant to Section 5.2 hereof to designate a Potential Co-Promotion Product as a Co-Promotion Product.

"Co-Promotion Product" means a Human Therapeutic Product with respect to which MYRIAD shall have exercised its option to Co-Promote pursuant to Section 5.2 and marketed by the Parties in the Co-Promotion Territory.

"Co-Promotion Territory" means the United States and Canada.

"Cost of Capital Allowance" means the amount recoverable by either Party under this Agreement for the use of its Utilized Capital allocated to the business of this collaboration related to Co-Promotion Products in the Co-Promotion Territory after SCHERING's receipt of MYRIAD's Co-Promotion Exercise Notice for such Co-Promotion Product in the Co-Promotion Territory. Each Party's cost of capital shall be determined by reference to its weighted average cost of capital for the relevant period determined in accordance with objective and customary financial formulas. There shall be no Cost of Capital Allowance for time periods prior to the first commercial sale of a Co-Promotion Product in the Co-Promotion Territory.

"Cost of Goods Sold" means the cost of producing a Co-Promotion Product sold as computed by SCHERING in accordance with International Accounting Standards applied on a consistent basis. Such costs shall include, but not be limited to, the fully-burdened cost of all raw materials, labor and overhead for formulation, filling, finishing, labeling, packaging and quality assurance, and shall also include any value added taxes or transportation charges and any royalties paid to Third Parties in connection with the manufacturing process or materials used.

"Current Filing Date" has the meaning set forth in Section 6.1.

"Current SCHERING Credits" has the meaning set forth in Section 6.1.

"Current MYRIAD Credits" has the meaning set forth in Section 6.1.

"DDMC" means the Drug Discovery and Management Committee established pursuant to Section 3.1 hereof.

"Deferred Payment" has the meaning set forth in Section 6.2.

"Detailing" means a personal, in-office visit by a sales representative to a physician, hospital, health maintenance organization, drug wholesaler or other pharmaceutical purchaser located within the Co-Promotion Territory during which the sales representative promotes the use of a Co-Promotion Product in at least the first or second position (according to the standards generally recognized in the U.S. pharmaceutical industry).

"Development" and "Develop" refers to all activities relating to obtaining Regulatory Approval of a Human Therapeutic Product, and all activities relating to developing the ability to manufacture the same. This includes ongoing preclinical testing, GLP Toxicity Studies or equivalent non-U.S. studies, toxicology, formulation, bulk production, fill/finish, manufacturing process development, manufacturing, quality assurance and quality control technical support, clinical studies, regulatory affairs and outside counsel regulatory legal services.

"Development Program" means that phase of SCHERING's clinical Development activities with respect to a Human Therapeutic Product commencing after SCHERING shall have filed an IND with respect to such Human Therapeutic Product, which constitutes a program in SCHERING to obtain Regulatory Approval of such Human Therapeutic Product, and concluding with the receipt of Regulatory Approval of such Human Therapeutic Product.

"Diagnostic Product" means all in vivo or in vitro human diagnostic products and services derived from a Gene or Interactive Protein discovered under the Research Program, including, without limitation, products or services utilized to identify predisposition to disease, confirm disease, predict therapeutic effectiveness, monitor disease progression, determine prognosis or stratify patient groups, other than any Excluded Diagnostic Product.

"Distribution" means activity performed by a Party or for its account, specifically attributable to the distribution of a Co-Promotion Product in the Co-Promotion Territory. Such activities will ordinarily include warehousing, order processing, customer service and shipping.

"Drug Approval Application" means an application for Regulatory Approval required to be approved prior to any commercial sale or use of a Human Therapeutic Product as a drug or biologic in the related regulatory jurisdiction.

"Drug Discovery and Early Development" means the activities performed by a Party or for its account which are approved by the DDMC and are specifically attributable to the Drug Discovery and Early Development Program. Drug Discovery and Early Development shall include, but is not limited to, preclinical studies on the toxicological, pharmacokinetics, metabolic, formulation, process development or clinical aspects of a potential Human Therapeutic Product conducted internally or by individual investigators or consultants.

"Drug Discovery and Early Development Program" means that phase of SCHERING's drug discovery and preclinical Development activities with respect to Genes and Interactive Proteins commencing after SCHERING shall have obtained an Exclusive License with respect to such Genes and Interactive Proteins, which constitutes a program in SCHERING to discover a Human Therapeutic Product which consists of, comprises, is comprised of or derived from any such Genes and Interactive Proteins, and concluding with the filing of an IND with respect to any such Human Therapeutic Product.

"Effective Date" has the meaning specified in the Recitals to this Agreement.

"Equalization Credit" has the meaning set forth in Section 6.3.

"Equalization Payment" means the amount payable by one Party to the other to share the Operating Profits or Losses between the Parties in accordance with Section 6.2. By way of example, in a total Operating Profits situation, if MYRIAD is entitled to share equally with SCHERING in Operating Profits or Losses and if SCHERING has an Operating Profit of 40 and MYRIAD has an Operating Loss of 10, then the Equalizing Payment made by SCHERING to MYRIAD will be 25. In a total Operating Losses situation, if MYRIAD is entitled to 40% of Operating Profits or Losses and if SCHERING has an Operating Loss of 40 and MYRIAD has an Operating Loss of 10, the Equalization Payment owed by MYRIAD to SCHERING will be 10.

"Excess Royalty Amounts" has the meaning set forth in Section 5.16.

"Excluded Diagnostic Product" means all in vivo or in vitro human
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diagnostic products and

services derived from a Gene or Interactive Protein discovered under the Research Program, including, without limitation, products or services utilized to identify predisposition to disease, confirm disease, predict therapeutic effectiveness, monitor disease progression, determine prognosis or stratify patient groups, that consists of, comprises, is comprised of or is derived from a Gene or Interactive Protein that (i) targets the same biochemical pathway as any Human Therapeutic Product; and (ii) includes or incorporates, in whole or in part, an active drug substance that is the same chemical entity as the active drug substance included or incorporated in any Human Therapeutic Product; provided, however, that Excluded Diagnostic Products shall not include any diagnostic products specified in any notice delivered pursuant to Section 4.10(b) hereof.

"Exclusive License" has the meaning set forth in Section 4.3.

"Exclusive Pathway Option" has the meaning set forth in Section 2.3(b).

"FDA" means the United States Food and Drug Administration or any successor agency.

"Field" means all human therapeutic and prophylactic uses of products for the prevention, treatment, cure or mitigation of any clinical indications in humans, including, but not limited to, small molecules, protein replacement, antisense, ribozymes, and cell or gene therapy for any clinical indication.

"Gene" means a human gene which is useful in the Field and which has been identified by means of the ProNet Technology pursuant to the Research Program which encodes for an Interactive Protein.

"General Public Relations" means any public relations activity (including a press release or image piece) which (i) promotes generally the business of a company or deals in a general manner with the activities of such company in a general pharmaceutical market; and (ii) mentions in an incidental manner the fact that such company or its Affiliates markets or sells one or more of the Co-Promotion Products or provides other incidental information concerning one or more of the Co-Promotion Products. Announcements related to this Agreement or that concern primarily the relationship of either Party to each other are not General Public Relations and must be agreed upon by both Parties in writing prior to release.

"GLP Toxicity Studies" means toxicology studies conducted in accordance with the FDA's current Good Laboratory Practices pursuant to 21 C.F.R. Part 58.

"Human Therapeutic Product" means any product for prophylactic or therapeutic use in the prevention, treatment, cure or mitigation of any clinical indications in humans which consists of, comprises, is comprised of or is derived from:

(a) a Gene or Interactive Protein that is licensed by SCHERING hereunder;

(b) any fragment or mutation of (a);

(c) an RNA or a DNA sequence corresponding, complementary to, or an antisense sequence to a Gene in (a) or (b);

(d) a protein encoded by any of (a), (b) or (c) or any fragment of such protein;

(e) an antibody to a protein described in (d);

(f) a gene therapy or cell therapy product incorporating any of (a), (b), (c), (d) or (e); or

(g) a molecule or compound, regardless of its function or utility, other than diagnostic uses, that is discovered or whose function or utility is discovered on or prior to the tenth anniversary of the last day of the Research Term utilizing any of the Technology or information relating to (a).

The entities listed in (b) through (g) are sometimes referred to herein as "derived" from the Gene or Interactive Protein in (a).

"IND" means an investigational new drug application required to be
filed with the FDA pursuant to 21 C.F.R. (S) 312, as such regulations may be amended from time to time, to test drug products in humans, or any foreign equivalent.

"Interaction" or "Interact" means contact between proteins that is sufficiently stable to allow the ProNet Technology to function, resulting in the identification of Interactive Proteins.

"Interactive Protein" means a human protein or portion of a human protein which is useful in the Field and which has been identified by means of the ProNet Technology pursuant to the Research Program as a protein which directly, or indirectly through a series of Interactions, interacts with a protein or portion of a protein which was used as a Bait in the ProNet Technology.

"JMC" means a Joint Marketing Committee established pursuant to Section 5.1 hereof.

"JRSC" means the Joint Research Steering Committee established pursuant to Section 2.1 hereof.

"Live Claim" means a claim of a Patent which has not been held unenforceable, unpatentable or invalid by a decision of a court, or a governmental agency of competent jurisdiction, unappealable or unappealed within the time allowed to appeal, and which has not been admitted to be invalid or unenforceable through re-issue, re-examination, disclaimer or otherwise.

"Marketing" means those activities that are generally consistent with a Commercialization Plan and are specifically attributable to the sale, promotion, and marketing of such Co-Promotion Product in the Co-Promotion Territory. Marketing shall include, but is not limited to, medical symposia and conventions, scientific exhibits, opinion leader programs, medical education programs, grand rounds, sponsoring of publications, weekend seminars, fees to managed care organizations, programs which support the prophylactic use of Co-Promotion Products, public relations, market research and other tasks specifically attributable to the sale, promotion and marketing of such Co-Promotion Product in the Co-Promotion Territory.

"Manufacturing Cost" means the cost to prepare a Co-Promotion Product for use in research or development studies, or marketing programs as computed by SCHERING in accordance with its standard accounting procedures applied on a consistent basis. Such costs shall include, but not be limited to, the fully-burdened costs of all raw materials, labor and overhead for formulation, filling, finishing, labeling, packaging and quality assurance, and shall also include any value added taxes or transportation charges and any royalties paid to Third Parties in connection with the manufacturing process or materials used. Additionally, all costs to prepare placebo or product variations in research or development studies shall be included as a Manufacturing Cost.

"Material Breach" has the meaning set forth in Section 10.2.

"Milestone Credits" has the meaning set forth on Exhibit A-2 hereto.

"MYRIAD Patent" means a Patent which covers the research, development, manufacture, use, importation, sale or offer for sale of a Gene or Interactive Protein and antibodies thereto licensed to SCHERING hereunder, which Patent is Controlled, in whole or in part, by MYRIAD.

"MYRIAD Product" means a Human Therapeutic Product or Royalty Bearing Product to which rights have reverted to MYRIAD in a particular country following the abandonment by SCHERING of Development or commercialization activities with respect thereto in such country pursuant to Section 4.9, but only in the country in which such abandonment shall have occurred.

"MYRIAD Technology" means all Technology Controlled by MYRIAD, including the ProNet Technology, and Technology claimed or described in a MYRIAD Patent.

"Net Sales" means the amount invoiced by a Party, an Affiliate or a permitted sublicensee for sales of Co-Promotion Products, Royalty Bearing Products or MYRIAD Products, as the case may be, to a Third Party less deductions for: (i) shipping or freight charges prepaid or allowed, and other charges, such as insurance,

relating thereto; (ii) sales and excise taxes or customs duties paid by the selling party and any other governmental charges imposed upon the sale of such Co-Promotion Products, Royalty Bearing Products or MYRIAD Products, as the case may be; (iii) distributors fees, rebates, non-cash rebates or allowances actually granted, allowed or incurred; (iv) quantity discounts, cash discounts or chargebacks actually granted, allowed or incurred in the ordinary course of business in connection with the sale of such Co-Promotion Products, Royalty Bearing Products or MYRIAD Products, as the case may be; (v) allowances or credits to customers, not in excess of the selling price of such Co-Promotion Products, Royalty Bearing Products or MYRIAD Products, as the case may be, on account of governmental requirements, rejection, outdating recalls or for value of returned trade goods of such Co-Promotion Products, Royalty Bearing Products or MYRIAD Products, as the case may be; (vi) costs of customer programs such as patient assistance programs designed to aid in patient compliance to maintain medication schedules; and (vii) an estimate for bad debts determined in accordance with such Party's normal accounting procedures consistently applied within and across its pharmaceutical Operating Units, whether or not invoiced to the customer. For the purpose of calculating a Party's Net Sales, the Parties recognize that (a) a Party's customers may include persons in the chain of commerce who enter into agreements with a Party as to price even though title to the Co-Promotion Product, Royalty Bearing Product or MYRIAD Product, as the case may be, does not pass directly from a Party to such customers, and even though payment for such Co-Promotion Product, Royalty Bearing Product or MYRIAD Product, as the case may be, is not made by such customers directly to a Party and (b) in such cases chargebacks paid by a Party to or through a Third Party (such as a wholesaler) can be deducted by a Party from gross revenue in order to calculate a Party's Net Sales. Any deductions listed above which involve a payment by a Party shall be taken as a deduction against aggregate sales for the period in which the payment is made. Sales of Co-Promotion Products, Royalty Bearing Products or MYRIAD Products, as the case may be, between a Party and its Affiliates solely for research or clinical testing purposes shall be excluded from the computation of Net Sales.

"Net Sublicense Revenues" means all revenues or other consideration
received from Third Parties as consideration for sublicensing of the manufacture, distribution, use or sale of Co-Promotion Products in the Co-Promotion Territory, less the expenses directly attributable to supplying goods and services to such sublicensees to enable their performance of the sublicenses.

"Operating Profits or Losses" means the profits ("Operating Profits") or losses ("Operating Losses") resulting from the Commercialization of Co-Promotion Products in the Co-Promotion Territory and shall be equal to (i) Net Sales plus (ii) Net Sublicense Revenues less (iii) Commercialization Costs. A separate determination of Net Sales and Operating Profits or Losses shall be made for each Co-Promotion Product. In the event multiple Co-Promotion Products are being marketed under this Agreement, the individual statements of Operating Profits or Losses shall then be combined into a single statement of Operating Profits or Losses in a format to be mutually agreed to by the Parties for purposes of overall accounting between the Parties.

"Operating Unit" means, with respect to each Party, the smallest operating unit in which a cost center statement is prepared for management accounting purposes in such Party's normal accounting procedures, consistently applied within and across its operating units.

"Option Extension Fee" has the meaning set forth in Section 2.3(b).

"Option Period" has the meaning set forth in Section 2.3(b).

"Patent" means United States and foreign patents, applications and provisional applications for United States and foreign patents, and all reexaminations, reissues, extensions, term restorations, divisionals, continuations and continuations-in-part thereof.

"Pathway" means a series comprising up to ten (10) Genes that code for Interactive Proteins that interact with one another as defined by the ProNet Technology and includes the related Interactions.

"Pathway Option Fee" has the meaning set forth in Section 2.3(b).

"Phase IV Clinical Trials" means product support clinical trials of a Co-Promotion Product commenced after receipt of Regulatory Approval in the country where such trial is being conducted. These trials shall be considered a part of Commercialization.

"Post-Launch Product R&D" means Phase IV Clinical Trials and ongoing
product support (including manufacturing and quality assurance, technical support, and laboratory and clinical efforts in each case directed toward the further understanding of product safety and efficacy), professional services (including adverse event reporting and responding to inquiries from physicians regarding Co-Promotion Products) and medical affairs (including regulatory support necessary for product maintenance) which are specifically attributable to a Co-Promotion Product in the countries of the Co-Promotion Territory where such Co-Promotion Product has been launched.

"Potential Co-Promotion Product" means a Human Therapeutic Product following the Completion of Pivotal Clinical Trials for such product prior to the designation of such Human Therapeutic Product as a Co-Promotion Product or a Royalty Bearing Product pursuant to Section 5.2.

"ProNet" shall mean the database of Interactive Proteins resulting from use of the ProNet Technology.

"ProNet Technology" means the proprietary tools (robotics, plastics, software, etc.), proprietary methods (protocols, processes, etc.) and proprietary reagents (vectors, strains, buffers and solutions, etc.) used by MYRIAD to carry out yeast two hybrid protein-protein Interaction studies, including MYRIAD's proprietary compilation of protein-protein Interaction data for the human genome which is generally accessible to MYRIAD's ProNet collaborators.

"Regulatory Approval" means any approvals (including pricing and reimbursement approvals), product and/or establishment licenses, registrations or authorizations of any federal, state or local regulatory agency, department, bureau or other governmental entity, or foreign equivalents thereof, necessary for the manufacture, use, storage, importation, export, transport or sale of Human Therapeutic Products in a regulatory jurisdiction.

"Research Program" means the collaborative research program in the Field to be conducted by MYRIAD and SCHERING under the JRSC pursuant to Section 2.2 and reflected in the Annual Research Plans in effect during the Research Term, including any assay development and other related activities.

"Research Term" means the period beginning on the Effective Date and ending on the date on which the Research Program terminates or expires as set forth in Section 2.4 below (including for all or any portion of the Research Program which is extended pursuant to Section 2.4, the period the Research Term is extended with respect thereto).

"Royalty Bearing Product" means a Human Therapeutic Product (a) marketed directly or indirectly by SCHERING in the Royalty Bearing Territory pursuant to Section 5.7 or (b) with respect to which MYRIAD shall have failed to exercise its option to Co-Promote pursuant to Section 5.2 within the applicable time period (other than a MYRIAD Product).

"Royalty Bearing Territory" means the world.

"SCHERING Patent" means a Patent which covers the research, development, manufacture, use, importation, sale or offer for sale of a Human Therapeutic Product, which Patent is Controlled, in whole or in part, by SCHERING.

"SCHERING Technology" means all Technology Controlled by SCHERING, including Technology claimed or described in a SCHERING Patent.

"Tangible Advertising" shall mean (a) all Advertising described in clause (i) or (ii) of the definition of the term "Advertising" and (b) all Advertising embodied in a writing or other tangible material.

"Technology" means and includes all proprietary information and materials related to the Field, including but not limited to nucleic acid constructs, Genes, Interactive Proteins, DNA fragments and primers, procedures, processes, technical information, know-how, data, expertise and trade secrets.

"Term" refers to the term of this Agreement as provided in Section 10.1.

"Third Party" means any entity other than SCHERING, MYRIAD and their respective Affiliates.

"Utilized Capital" means the amount of the Parties' capital specifically attributable to the support of a particular Co-Promotion Product in the Co-Promotion Territory following SCHERING's receipt of MYRIAD's Co-Promotion Exercise Notice for such Co-Promotion Product in the Co-Promotion Territory, and shall consist of the consolidated net working capital specifically attributable to such support activities, defined as both Parties' (a) accounts receivable, inventory and prepaid expenses less (b) accounts payable and accrued liabilities.

SECTION 1.2 Accounting.

(a) For the purposes of determining all costs and expenses hereunder, any cost or expense allocated to such category in good faith by either Party to a particular category for a particular Human Therapeutic Product shall not also be allocated to another category for such Human Therapeutic Product, and any cost or expense allocated to a particular Human Therapeutic Product in a particular country shall not also be allocated to another Human Therapeutic Product of such Party or the same Human Therapeutic Product in a different country.

(b) MYRIAD agrees to determine all costs and expenses hereunder with respect to Human Therapeutic Products consistent with the definitions thereof contained herein and using its standard accounting procedures, consistent with U.S. Generally Accepted Accounting Principles consistently applied ("U.S. GAAP"), to the extent practical as if such Human Therapeutic Products were solely owned products of MYRIAD, except as specifically provided in this Agreement. SCHERING agrees to determine all costs and expenses hereunder with respect to Human Therapeutic Products consistent with the definitions thereof contained herein and using its standard accounting procedures, consistent with International Accounting Standards ("IAS"), to the extent practical as if such Human Therapeutic Products were solely owned products of SCHERING, except as specifically provided in this Agreement. Each Party shall keep reasonably detailed records of the foregoing from which the material components of such items can be derived. The Parties agree that if changes in U.S. GAAP or IAS after the date hereof result in economically material differences between U.S. GAAP and IAS with respect to expenses which are not explicitly defined to be accounted for in accordance with U.S. GAAP or IAS, as the case may be, in this Agreement, the Parties will attempt to reach an equitable resolution of such differences through good faith negotiations.

ARTICLE II

RESEARCH PROGRAM

SECTION 2.1 Joint Research Steering Committee.

(a) Establishment and Functions. Within five (5) days of the Effective Date, MYRIAD and SCHERING shall establish a Joint Research Steering Committee (the "JRSC"). The JRSC shall plan, administer and monitor the Research Program. In particular, the JRSC shall prepare an Annual Research Plan (including the selection of any Baits to be used in conjunction with the ProNet Technology), review progress in the Research Program and recommend necessary adjustments to the Research Program as the research takes place.

(b) Membership. MYRIAD and SCHERING each shall appoint, in its sole discretion, three (3) members to the JRSC. Substitutes or alternates may be appointed at any time by notice in writing to the other Party.

The members of the JRSC initially shall be:

MYRIAD Appointees:

[

]

SCHERING Appointees:
[

]

(c) Chairs. Two co-chairpersons shall chair the JRSC, one appointed by MYRIAD and the other appointed by SCHERING from the JRSC members.

(d) Meetings. The JRSC shall meet at least quarterly, at places and on dates selected by each Party in turn, unless the Parties agree otherwise. Representatives of each Party or its Affiliates, in addition to the members of the JRSC, may attend such meetings at the invitation of either Party.

(e) Minutes. The JRSC shall keep accurate minutes of its deliberations that record all proposed decisions and all actions recommended or taken. Drafts of the minutes shall be delivered to all JRSC members at least ten (10) days prior to the next meeting of the JRSC. The Party hosting the meeting shall be responsible for the preparation and circulation of the draft minutes. Draft minutes shall be edited by the co-chairpersons and shall be issued in final form only with their approval and agreement as evidenced by their signatures on the minutes.

(f) Quorum; Voting; Decisions. At each JRSC meeting, at least two representatives of each Party shall constitute a quorum. The JRSC representatives of each Party shall collectively have one vote on all matters before the JRSC. All decisions of the JRSC shall be made by unanimous vote of both Parties. In the event that the JRSC is unable to resolve any matter before it, such matter shall be referred at the request of either Party to the President of MYRIAD and the President of Berlex Biosciences, a division of Berlex Laboratories, Inc., an Affiliate of SCHERING, for attempted resolution by good faith negotiations, which negotiations shall continue for a period not to exceed ninety (90) days. In the event that such dispute is not resolved in such manner, within such period or any mutually agreed extension thereof, either Party may terminate the Research Program upon written notice to the other Party.

(g) Expenses. MYRIAD and SCHERING shall each bear all expenses of their respective JRSC members related to their participation on the JRSC and attendance at JRSC meetings.

SECTION 2.2 Research Program.

(a) Purpose of Research Program. Under the Research Program, MYRIAD will use commercially reasonable efforts to utilize the ProNet Technology to identify Genes and Interactive Proteins, including without limitation through the use of Baits selected and prioritized by the JRSC, as further set forth in each Annual Research Plan. In carrying out the Research Program, each Party agrees to undertake the research activities described in and pursuant to the time schedules established by each Annual Research Plan unless otherwise agreed by the JRSC. Each Party shall be responsible for the administrative management of the research activities performed by such Party in support of the Research Program, subject to compliance with the applicable Annual Research Plan and to the provisions of this Article II generally, and shall bear all of its own expenses incurred in the performance of such research activities.

(b) Annual Research Plans. For each year of the Research Program commencing with the second year, the Annual Research Plan shall be prepared and approved in preliminary form by the JRSC no later than ninety (90) days before the end of the prior year and approved by the JRSC in final form no later than thirty (30) days before the end of the prior year. The Annual Research Plan for the first year shall be prepared and approved by the JRSC in final form by no later than October 31, 1998. Each Annual Research Plan shall be in writing and shall set forth with reasonable specificity research objectives, milestones and any Baits selected for use in the ProNet Technology for the period covered by the Annual Research Plan. The JRSC may make adjustments in the Annual Research Plan at its quarterly meetings or otherwise as it may determine.

SECTION 2.3 Access to ProNet; Pathway Options.

(a) Stage I - Non-Exclusive Access to ProNet. MYRIAD and SCHERING shall (i) evaluate the current Interactive Proteins and Genes in ProNet and, (ii) using Baits selected by the JRSC in conjunction with the ProNet Technology, evaluate the subset of Interactive Proteins that Interact with such Baits, in each case pursuant to the Research Program. Upon the identification of any Interactive Protein which is not subject to an option or license in favor of any Third Party or the subject of an internal MYRIAD program as can be documented by written records, SCHERING shall have the option set forth in Section 2.3(b) below to obtain an exclusive option to a specified Pathway containing such Interactive Protein and the Genes which code for such Interactive Protein.

(b) Stage II - Exclusive Option to Pathway. At any time during the Research Term, SCHERING may acquire an option (an "Exclusive Pathway Option") to obtain an Exclusive License with respect to the Interactive Protein(s) and related Gene(s) included in any Pathway which are available for license as set forth in Section 2.3(a) and specified in a written notice to MYRIAD on or prior to the acquisition of such option. Any such specified Pathway shall not include the continuation of any "branch" of the Pathway with respect to which MYRIAD shall be unable to grant a license to SCHERING due to agreements with Third Parties in the Field relating to the "next" Interactive Protein or Gene coding for such Interactive Protein in the Pathway. SCHERING may elect to expand a specified Pathway initially including less than ten (10) Interactive Proteins or Genes coding for such Interactive Proteins during the relevant Option Period to include up to ten (10) Interactive Proteins or Genes coding for such Interactive Proteins; provided, however, that no Pathway shall be expanded to the extent that such expansion would violate the criteria set forth above. In order to acquire an Exclusive Pathway Option, SCHERING shall make a payment to MYRIAD equal to [ ] per Pathway (the "Pathway Option Fee"). Each Exclusive Pathway Option shall be exercisable at any time in the nine (9) month period (the "Option Period") following the acquisition of such Exclusive Pathway Option, which such Option Period may be extended by SCHERING for one additional nine (9) month period upon the payment of an additional [ ] (the "Option Extension Fee"). During any Option Period, MYRIAD shall not (i) assign, license or grant any option to any Third Party with respect to any of its rights in the Field to, or (ii) commence or conduct any internal program relating to, any Interactive Proteins or Genes included in the specified Pathway that is the subject of such Exclusive Pathway Option. If SCHERING shall not have acquired an Exclusive Pathway Option as set forth above, MYRIAD shall be free to utilize or to assign, license or grant any option with respect to its rights to any Interactive Proteins or Genes included in such specified Pathway at MYRIAD's sole discretion.

(c) Stage III - Exclusive License. At any time prior to the end of the Option Period with respect to any Exclusive Pathway Option, SCHERING may exercise such Exclusive Pathway Option by the delivery of written notice of such election to MYRIAD, which notice shall specify the Interactive Proteins and related Genes included in the relevant Pathway to be the subject of the Exclusive License. If SCHERING shall not have exercised its Exclusive Pathway Option prior to the end of the Option Period, MYRIAD shall retain all rights to the relevant specified Pathway including Interactive Proteins and related Genes. Thereafter, SCHERING will have the right to seek an Exclusive License with respect to any Interactive Protein or related Gene which was previously the subject of an Exclusive Pathway Option from MYRIAD at any time provided that MYRIAD has not licensed the rights to such Interactive Protein or related Gene to a Third Party and has not commenced an internal program relating to such Interactive Protein or related Gene, as can be documented by written records.

(d) No Limit to Number of Option Rights. During the Research Term, SCHERING can exercise an Exclusive Pathway Option on an unlimited number of Genes and Interactive Proteins and their Pathways identified through the use of the ProNet Technology, whether during or prior to the Research Term, subject to the foregoing provisions.

(e) Other Collaborations. The Parties acknowledge that MYRIAD will be and is utilizing ProNet itself and in collaborations with Third Parties during the Term of this Agreement and that the licenses and options to Genes and Interactive Proteins to be granted pursuant to this Agreement to SCHERING shall only be available on a first-come, first-served basis as set forth in this Agreement.

SECTION 2.4 Research Term. The Research Term shall commence upon the Effective Date and terminate five (5) years after the Effective Date unless extended by mutual agreement of the Parties or unless the Research Term is earlier terminated by either Party pursuant to Section 2.1(f) hereof or by SCHERING at each anniversary of the Research Term on sixty (60) days prior written notice to MYRIAD or this Agreement is earlier

terminated by either Party pursuant to Article X hereof.

SECTION 2.5 Quarterly Reports. MYRIAD shall keep SCHERING fully informed about the status of the Research Program. MYRIAD shall furnish a quarterly written report, describing the progress of the Research Program in reasonable detail, to SCHERING at least ten (10) days prior to each quarterly meeting of the JRSC.

ARTICLE III

DRUG DISCOVERY AND EARLY DEVELOPMENT; DEVELOPMENT

SECTION 3.1 Drug Discovery and Management Committee.

(a) Establishment and Function. Within thirty (30) days after SCHERING shall have exercised its first Exclusive Pathway Option, SCHERING and MYRIAD shall establish a Drug Development and Management Committee (the "DDMC"). The DDMC shall plan, administer and monitor the Drug Discovery and Early Development Program with respect to Genes and Interactive Proteins within such Pathway and each subsequent Pathway with respect to which SCHERING shall have exercised an Exclusive Pathway Option.

(b) Membership. SCHERING shall appoint, in its sole discretion, three (3) majority members to the DDMC, and MYRIAD shall appoint, in its sole discretion, two (2) minority members to the DDMC. Substitutes or alternates may be appointed at any time by notice in writing to the other Party.

(c) Chair. A chairperson appointed by SCHERING from the DDMC members shall chair the DDMC.

(d) Meetings. The DDMC shall meet at least once every six (6) months, with such semi-annual meetings and any additional meetings to be held at places and on dates selected by the chairperson of the DDMC. Representatives of each Party or its Affiliates, in addition to the members of the DDMC, may attend such meetings at the invitation of either Party.

(e) Minutes. The DDMC shall keep accurate minutes of its deliberations that record all proposed decisions and all actions recommended or taken. Drafts of the minutes shall be delivered to all DDMC members at least ten (10) days prior to the next meeting of the DDMC. SCHERING shall be responsible for the preparation and circulation of the draft minutes. Draft minutes shall be edited by the chairperson and shall be issued in final form only with his approval and agreement as evidenced by his signature on the minutes.

(f) Quorum; Voting; Decisions. At each DDMC meeting, at least a majority of the members of the DDMC shall constitute a quorum, provided that at least one member of each Party is present. Each Party of the DDMC shall have one vote on all matters before the DDMC. All decisions shall be made by unanimous vote of both Parties. In the event that the DDMC is unable to resolve any matter before it, such matter shall be referred at the request of either Party to the President of Myriad and the President of Berlex Biosciences, a division of Berlex Laboratories, Inc., an Affiliate of SCHERING, for attempted good faith resolution by negotiations, which negotiations shall continue for a period not to exceed ninety (90) days. In the event such dispute is not resolved in such manner the final decision on such matter shall be made by SCHERING.

(g) Expenses. MYRIAD and SCHERING shall each bear all expenses of their respective DDMC members related to their participation on the DDMC and attendance at DDMC meetings.

SECTION 3.2 Drug Discovery and Early Development Program. Under the Drug Discovery and Early Development Program, SCHERING will conduct activities relating to research and/or preclinical Development performed with respect to (i) identifying, discovering, screening, creating, optimizing and/or synthesizing potential Human Therapeutic Products which consist of, comprise, are comprised of or derived from any Genes or Interactive Proteins within the Pathways that are the subject of the Drug Discovery and Early Development Program and (ii) performing in vivo efficacy and preliminary acute safety studies and GLP Toxicity

Studies or equivalent non-U.S. studies with respect to such potential Human Therapeutic Products in preparation for filing an IND. In carrying out the Drug Discovery and Early Development Program, SCHERING agrees to use commercially reasonable efforts to undertake the activities under the Drug Discovery and Early Development Program. SCHERING shall calculate and maintain records of Drug Discovery and Early Development expenses incurred by it in accordance with procedures to be agreed upon between the Parties. Except as otherwise provided herein, all expenses incurred in connection with the Drug Discovery and Early Development Program shall be borne solely by SCHERING.

SECTION 3.3 Development Program. SCHERING shall be solely responsible for the worldwide clinical Development of all Human Therapeutic Products following the filing of an IND for each such Human Therapeutic Product, and agrees to use commercially reasonable efforts to Develop and bring Human Therapeutic Products to market in all countries wherein SCHERING determines it is commercially reasonable to do so. SCHERING, at its own expense, shall be responsible for preparing and filing all Drug Approval Applications and seeking Regulatory Approvals for Human Therapeutic Products in connection with such clinical Development. SCHERING shall calculate and maintain records of Development expenses incurred by it in accordance with its customary procedures. Except as otherwise provided herein, all expenses incurred in connection with the Development Program shall be borne solely by SCHERING.

SECTION 3.4 MYRIAD Participation. MYRIAD agrees to apply its expertise to assist SCHERING in all aspects of the Drug Discovery and Early Development Program and the Development Program, and agrees to carry out such tasks under the Drug Discovery and Early Development Program and Development Program as are reasonably requested by the DDMC, in the case of the Drug Discovery and Early Development Program, and by SCHERING, in the case of the Development Program, to the extent that such tasks are accepted by MYRIAD in its sole discretion. Any such assistance by MYRIAD shall be performed on terms and conditions (including terms relating to the ownership of intellectual property rights) to be agreed upon by the Parties.

SECTION 3.5 Reporting. SCHERING shall keep MYRIAD fully informed about the status of the Drug Discovery and Early Development Program and the Development Program. SCHERING shall furnish a written report with respect to each potential Human Therapeutic Product that has been identified by SCHERING, describing the progress of the Drug Discovery and Early Development Program or the Development Program, as applicable, with respect to each such potential Human Therapeutic Product in reasonable detail, to MYRIAD no less frequently than twice per calendar year.

SECTION 3.6 Right to Engage Third Parties in Drug Discovery and Early Development and Development. In the course of its business, SCHERING regularly uses Third Parties to perform certain activities. SCHERING may continue to do so in carrying out the Drug Discovery and Early Development Program and the Development Program during the course of this Agreement at its own expense.

SECTION 3.7 Drug Approval Applications. SCHERING shall be solely responsible for preparing and filing Drug Approval Applications and seeking Regulatory Approvals for Human Therapeutic Products in the Co-Promotion Territory and the Royalty Bearing Territory, including preparing all reports necessary as part of a Drug Approval Application. All such Drug Approval Applications shall be filed in the name of SCHERING. SCHERING shall be solely responsible for prosecuting such Drug Approval Applications. In the event that any regulatory agency threatens or initiates any action which could have a material impact on the marketing or sale of a Human Therapeutic Product, anywhere in the world, SCHERING shall notify MYRIAD of such communication within three (3) Business Days of receipt by SCHERING.

SECTION 3.8 Manufacturing.

(a) Manufacture and Supply in Drug Discovery and Early Development and Development. SCHERING shall be responsible for the manufacture and supply of each Human Therapeutic Product for use during the Drug Discovery and Early Development Program and the Development Program, and shall use commercially reasonable efforts to manufacture, or arrange for the manufacture of, such Human Therapeutic Products in bulk form for use during the Drug Discovery and Early Development Program and the Development Program. SCHERING's actual Manufacturing Cost of such Human Therapeutic Products for such programs, plus a mark-up of [ ], shall be a Drug Discovery and Early Development expense or a Development expense, as the case may be.

(b) Process Development, Manufacturing Approvals. SCHERING will use commercially reasonable efforts to develop or have developed a process for the manufacture of Human Therapeutic Products and to scale up that process to a scale sufficient to manufacture and supply the anticipated demand for Human Therapeutic Products. The costs associated with the continued development of the process for the manufacture of Human Therapeutic Products as well as the scale up of that process and all material issues incident to the development of Human Therapeutic Products for commercial purposes will be a Development expense. SCHERING will use commercially reasonable efforts to make necessary filings to obtain, or to cause a Third Party manufacturer of Human Therapeutic Products to make necessary filings to obtain Regulatory Approval for the manufacture of Human Therapeutic Products as part of the approval of a Drug Approval Application for each Co-Promotion Product in the Co-Promotion Territory.

ARTICLE IV

LICENSES

SECTION 4.1 License to SCHERING to Conduct Research. MYRIAD grants to SCHERING a paid-up, non-exclusive, worldwide license, with a right to sublicense as described in Section 4.7, under the MYRIAD Technology to make, have made and use Genes, Interactive Proteins and entities derived therefrom, solely in the course of performance of the Research Program during the Research Term in accordance with the terms of this Agreement.

SECTION 4.2 License to MYRIAD to Conduct Research. SCHERING grants to MYRIAD a paid-up, non-exclusive license in the Co-Promotion Territory, with a right to sublicense as described in Section 4.7, under the SCHERING Technology to make, have made and use SCHERING's proprietary Baits solely as directed by the JRSC in the course of performance of the Research Program during the Research Term in accordance with the terms of this Agreement.

SECTION 4.3 License to SCHERING to Conduct Development. Upon the exercise by SCHERING of an Exclusive Pathway Option with respect to any specified Gene or Interactive Protein, MYRIAD grants to SCHERING a paid-up, exclusive (even as to MYRIAD) worldwide license (an "Exclusive License"), with a right to sublicense as described in Section 4.7, under the MYRIAD Technology to make, have made and use the specified Interactive Protein(s) and related Gene(s) to Develop Human Therapeutic Products in accordance with the terms of this Agreement.

SECTION 4.4 License to MYRIAD to Conduct Development. SCHERING grants to MYRIAD a paid-up, exclusive (even as to SCHERING) license, with a right to sublicense as described in Section 4.7, under the SCHERING Technology to make, have made and use MYRIAD Products in accordance with the terms of this Agreement in the countries in which such products shall constitute MYRIAD Products.

SECTION 4.5 License to SCHERING to Conduct Commercialization. Upon the exercise by SCHERING of an Exclusive Pathway Option with respect to any specified Gene or Interactive Protein, MYRIAD grants to SCHERING an exclusive (except as to MYRIAD as provided in Section 5.2) worldwide license, with a right to sublicense as described in Section 4.7, under the MYRIAD Technology to make, have made, use, sell, offer to sell, have sold and import Human Therapeutic Products which consist of, comprise, are comprised of or are derived from the specified Interactive Protein(s) and related Gene(s). Such license shall be subject to profit sharing or royalty payments as provided herein.

SECTION 4.6 Rights and Licenses to MYRIAD to Conduct Commercialization.
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(a) Co-Promotion Products. SCHERING grants to MYRIAD an exclusive (except as to SCHERING) right in the Co-Promotion Territory under the SCHERING Technology solely for the purpose of Co-Promoting Co-Promotion Products in accordance with the terms of this Agreement.

(b) MYRIAD Products. SCHERING grants to MYRIAD an exclusive (even as to SCHERING) license, with a right to sublicense as described in Section 4.7, under the SCHERING Technology to make, have made, use, sell, offer to sell, have sold and import MYRIAD Products, to the extent included in

SCHERING Technology, in accordance with the terms of this Agreement in the countries in which such products shall constitute MYRIAD Products. Such license shall be subject to royalty payments as provided herein.

SECTION 4.7 Sublicensing. Neither Party may grant sublicenses under Sections 4.1 through 4.6 except (i) to Affiliates of such Party or (ii) with the express prior written approval of the Party that solely Controls the subject Technology (which consent will not be unreasonably withheld or delayed); provided, however, that SCHERING may grant sublicenses with respect to Royalty Bearing Products and MYRIAD may grant sublicenses to MYRIAD Products and Diagnostic Products, in each case subject to compliance with Section 6.6 and, with respect to MYRIAD Products, only in the countries in which such products shall constitute MYRIAD Products.

SECTION 4.8 Third Party Technology. The licenses granted under Sections 4.1 through 4.6 include sublicenses of Third Party technology to the extent that such licensed rights can be so sublicensed and are necessary or useful for the manufacture, use, importation, sale or offer for sale of the relevant licensed product. The licenses granted under Sections 4.1 through 4.6, to the extent they include sublicenses of Third Party technology shall be subject to the terms and conditions of the license agreement pursuant to which the sublicense is granted.

SECTION 4.9 Abandonment. In the event that SCHERING, in its sole discretion, shall determine to stop Development of a Human Therapeutic Product in any country or determine that commercialization of a Royalty Bearing Product in any country is not commercially viable, SCHERING may at any time by delivery of written notice to MYRIAD elect to abandon its Development activities with respect to such Human Therapeutic Product, or abandon its commercialization activities with respect to such Royalty Bearing Product, in such country (such Human Therapeutic Product or Royalty Bearing Product, as the case may be, being referred to with respect to such country as an "Abandoned Product"). Upon such abandonment or cessation in such country, (i) such Abandoned Product shall constitute a MYRIAD Product hereunder with respect to such country, (ii) MYRIAD may thereafter proceed with the development and commercialization of such MYRIAD Product in such country, either alone or in conjunction with Third Parties, (iii) all licenses granted by MYRIAD to SCHERING solely with respect to such Abandoned Product shall terminate in such country, (iv) SCHERING shall grant to MYRIAD an exclusive license pursuant to Sections 4.4 and 4.6(b), with respect to such Abandoned Product in such country, (v) SCHERING shall transfer or license to MYRIAD any related Drug Approval Applications or Regulatory Approvals (including transfer or license of all relevant data and information relevant to regulatory authorities) in such country, and otherwise cooperate to enable MYRIAD to continue said development and commercialization in such country, and (vi) SCHERING shall have no further obligation to conduct Development or commercialization as applicable, of such Abandoned Product in such country. Any abandonment pursuant to this Section 4.9 shall not constitute a Material Breach under this Agreement. In the event SCHERING shall abandon its Development or commercialization activities, as applicable, with respect to any Abandoned Product in any country under this Section 4.9, such MYRIAD Product shall thereafter bear a royalty equal to that payable for MYRIAD Products under Section 6.5(b). Notwithstanding the foregoing, SCHERING shall not be deemed to have so abandoned any such Development or commercialization activities in any country if (i) SCHERING shall have sublicensed such Human Therapeutic Product or Royalty Bearing Product to a Third Party that has agreed to use commercially reasonable efforts to Develop such Human Therapeutic Products in such country in a manner consistent with Section 3.3 hereof or to commercialize such Royalty Bearing Products in such country in a manner consistent with Section 5.7 hereof, as the case may be, (ii) SCHERING shall be Developing a Human Therapeutic Product or commercializing a Royalty Bearing Product in such country that consists of, comprises, is comprised of or is derived from the same Gene or Interactive Protein or Genes or Interactive Proteins in the same Pathway as the Gene or Interactive Protein from which such Human Therapeutic Product or Royalty Bearing Product, as the case may be, consists, comprises, is comprised of or is derived from, or (iii) SCHERING shall be Developing a Human Therapeutic Product or commercializing a Royalty Bearing Product in such country for the prevention or treatment of the same disease, state or condition having substantially the same biological effect achieved through substantially the same mechanism of action as such discontinued Human Therapeutic Product or Royalty Bearing Product, as the case may be.

SECTION 4.10 Diagnostic Product Rights.

(a) Diagnostic Products. The Parties recognize that Genes and Interactive Proteins licensed to SCHERING hereunder may also have concomitant diagnostic applications. MYRIAD shall have the sole and exclusive right worldwide to, make, have made, use, sell, offer to sell, have sold and import Diagnostic Products.

(b) Excluded Diagnostic Products. Neither Party shall have any right to make, have made, use, sell, offer to sell, have sold or import Excluded Diagnostic Products without the prior written agreement of the other Party. MYRIAD may, at any time prior to the exercise by SCHERING of an Exclusive Pathway Option with respect to any Pathway, notify SCHERING in writing that MYRIAD is then actively conducting significant internal research and development activities with respect to any diagnostic product(s) derived from any Genes or Interactive Proteins included in such Pathway, which notice shall be accompanied by written evidence reasonably acceptable to SCHERING setting forth in reasonable detail the scope of such research and development activities, and any such diagnostic product(s) shall not constitute Excluded Diagnostic Products hereunder.

SECTION 4.11 No Other Rights. No other rights of either Party are licensed hereunder except as expressly provided herein.

ARTICLE V

COMMERCIALIZATION

SECTION 5.1 Joint Marketing Committee.

(a) Establishment and Function. The Parties shall establish a Joint Marketing Committee (the "JMC") with respect to each Potential Co-Promotion Product within thirty (30) days after the Completion of Pivotal Clinical Trials for such Potential Co-Promotion Product. The purpose of the JMC shall be to (i) oversee the Commercialization of Potential Co-Promotion Products and Co-Promotion Products in the Co-Promotion Territory, including the annual budgeting and forecasting, commercial manufacturing, marketing, sales and distribution of Potential Co-Promotion Products and Co-Promotion Products, (ii) monitor, review and comment on costs incurred by the Parties in the commercial manufacture, marketing, sale and distribution of Potential Co-Promotion Products and Co-Promotion Products in the Co-Promotion Territory, (iii) review and comment on the Commercialization Plans for Potential Co-Promotion Products and Co-Promotion Products in the Co-Promotion Territory, (iv) receive and provide to the Parties all sales, pricing, and financial reports pertaining to Commercialization of Potential Co-Promotion Products and Co-Promotion Products, (v) review and comment on SCHERING's pricing recommendations for Potential Co-Promotion Products and Co-Promotion Products in the Co-Promotion Territory, (vi) budget annually (and update appropriately) each Party's expected Detailing effort for each calendar year, and (vi) facilitate the flow of information with respect to the Commercialization of each Potential Co-Promotion Products and Co-Promotion Product. The JMC shall not be involved with the commercialization of Royalty Bearing Products, MYRIAD Products or Diagnostic Products

(b) Membership. SCHERING shall appoint, in its sole discretion, three (3) members to the JMC. Prior to the effectiveness of MYRIAD's exercise of its Co-Promotion Option with respect to any Potential Co-Promotion Product, MYRIAD shall be entitled to appoint, in its sole discretion, three (3) non-voting observers to the JMC. Upon the effectiveness of MYRIAD's exercise of its Co-Promotion Option with respect to any Potential Co-Promotion Product, MYRIAD's non-voting observers shall become members of the JMC. Substitutes or alternates may be appointed at any time by notice in writing to the other Party.

(c) Chair. A chairperson appointed by SCHERING from the JMC members shall chair the JMC.

(d) Meetings. The JMC shall meet at least once every six (6) months, with such semi-annual meetings and any additional meetings to be held at places and on dates selected by the chairperson of the JMC. Representatives of each Party or its Affiliates, in addition to the members of the JMC, may attend such meetings at the invitation of either Party.

(e) Minutes. The JMC shall keep accurate minutes of its deliberations that record all proposed decisions and all actions recommended or taken. Drafts of the minutes shall be delivered to all JMC members and non-voting observers, at least ten (10) days prior to the next meeting of the JMC. SCHERING shall be responsible for the preparation and circulation of the draft minutes. Draft minutes shall be edited by the chairperson and shall be issued in final form only with his approval and agreement as evidenced by his signature on the minutes.

(f) Quorum; Voting; Decisions. At each JMC meeting, at least a majority of the members of the JMC shall constitute a quorum, provided that at least one member of each Party is present. Each Party shall have one vote on all matters before the JMC. All decisions of the JMC shall be made by unanimous vote of both Parties. In the event that the JMC is unable to resolve any matter before it, such matter shall be referred at the request of either Party to the President of Myriad and the Chairman of Berlex Laboratories, Inc., an Affiliate of SCHERING, for attempted good faith resolution by negotiations, which negotiations shall continue for a period not to exceed ninety (90) days. In the event such dispute is not resolved in such manner, then the final decision on such matters shall be made by SCHERING, after giving due respect to the opinions of MYRIAD.

(g) Expenses. MYRIAD and SCHERING shall each bear all expenses of their respective JMC members and non-voting observers related to their participation on the JMC and attendance at JMC meetings.

SECTION 5.2 MYRIAD Option to Co-Promote.

(a) MYRIAD may, at any time following the creation of the JMC with respect to each Potential Co-Promotion Product and prior to the date that is one hundred twenty (120) days after notice is given by SCHERING to MYRIAD of SCHERING having filed a Drug Approval Application with the FDA for such Potential Co-Promotion Product, elect to Co-Promote such Potential Co-Promotion Product hereunder by delivery of written notice of such election (a "Co-Promotion Exercise Notice") to SCHERING, which election shall become effective at the beginning of next succeeding calendar quarter; provided, however, that MYRIAD shall share with SCHERING in Operating Profits and Losses recognized from and after the applicable Current Filing Date in the manner set forth in Section 6.2. Upon effectiveness of such election, such Potential Co-Promotion Product shall constitute a Co-Promotion Product hereunder and the Commercialization of such Co-Promotion Product shall be conducted under the purview of the JMC. In the event that MYRIAD shall have (i) notified SCHERING in writing of its election not to Co-Promote such Potential Co-Promotion Product or (ii) failed to make such election with respect to such Potential Co-Promotion Product within the applicable time period, MYRIAD shall be deemed to have irrevocably waived any right to Co-Promote such Potential Co-Promotion Product, such product shall constitute a Royalty Bearing Product hereunder, the commercialization of such Royalty Bearing Product shall be conducted independently by SCHERING, and SCHERING shall pay to MYRIAD a royalty on all Net Sales of such Royalty Bearing Product pursuant to Section 6.5 hereof.

(b) In the event that a Potential Co-Promotion Product shall become a Royalty-Bearing Product pursuant to Section 5.2(a) hereof, SCHERING shall pay to MYRIAD an amount equal to the total of the Milestone Credits solely applicable to such Potential Co-Promotion Product (but not to any product that constitutes an Abandoned Product in the Co-Promotion Territory) included in the Current MYRIAD Credits but not the ProNet access fee or the Research cost per year of the Research Term, as set forth in the calculation of Current MYRIAD Credits provided by MYRIAD pursuant to Section 6.1(b) with respect to such Potential Co-Promotion Product, not more than ten (10) Business Days after the effectiveness of MYRIAD's waiver of its right to Co-Promote such Potential Co-Promotion Product. In addition, SCHERING shall pay to MYRIAD an amount equal to Milestone Credit (vi) with respect to such Potential Co-Promotion Product (unless such amount was included in the payment made pursuant to the preceding sentence) not later than ten (10) Business Days after the first Regulatory Approval for such Potential Co-Promotion Product in the Co-Promotion Territory. This Section 5.2(b) shall not apply to any Co-Promotion Product that shall become a Royalty-Bearing Product, whether pursuant to Sections 5.16 or 6.2(a)(iii) or otherwise.

SECTION 5.3 SCHERING as Lead Marketing Party.

(a) SCHERING will be the lead marketing Party with respect to all Potential Co-Promotion Products and Co-Promotion Products in the Co-Promotion Territory, and as a result, shall be obligated and responsible for carrying out Commercialization in the Co-Promotion Territory pursuant to each Commercialization Plan. SCHERING shall obtain for Co-Promotion Products pricing approvals as may be required and arrange for distribution of each Co-Promotion Product in each applicable country of the Co-Promotion Territory. SCHERING will assemble its product team and commence reporting to the JMC within five (5) days following the establishment of the JMC with respect to such Co-Promotion Product. MYRIAD will assemble its product team and commence reporting to the JMC within five (5) days after effectiveness of MYRIAD's exercise of its Co-Promotion Option. MYRIAD agrees to carry out the Commercialization responsibilities referred to in Section 5.3(b) and such other Commercialization responsibilities reasonably requested by the JMC.

(b) The object of Co-Promotion is to reach a broader customer audience and avoid confusion and redundancy of the marketing message. It is recognized that the Parties bring particular strengths to the ongoing Commercialization of Co-Promotion Products, and MYRIAD and SCHERING will co-participate in the sale of all Co-Promotion Products in the Co-Promotion Territory. With respect to each Co-Promotion Product, the JMC will assign to MYRIAD a role in Commercialization functions and activities as the JMC considers to be reasonably appropriate for the successful Commercialization of such Co-Promotion Product.

(c) The MYRIAD field sales force shall be under MYRIAD's direction and control, pursuant to review by the JMC and subject to the Commercialization Plan and Budget, and shall be compensated by MYRIAD. MYRIAD activities will be performed in accordance with each approved Commercialization Plan and Commercialization Budget. All marketing activities that have not been assigned to MYRIAD will be the responsibility of SCHERING unless determined otherwise by the JMC. The hiring by MYRIAD of field force personnel for carrying out a Commercialization Plan shall be subject to the approval of the JMC, which approval shall not be unreasonably withheld or delayed.

SECTION 5.4 Right to Engage Third Parties in Commercialization.

(a) Subject to the following sentence, to the extent either Party engages a Third Party to fulfill its expected Detailing efforts it must first communicate this intent to the JMC, which must approve such Third Party (such approval not to be unreasonably withheld or delayed). If SCHERING determines that it needs promotion support in the Co-Promotion Territory and MYRIAD does not or is not capable of providing it, then SCHERING may contract for additional promotion support from a Third Party. In such event, the Parties will consult prior to the engagement of a Third Party. If either Party engages a Third Party, the Detailing calls performed by such Third Party will be included in such Party's actual Detailing effort. MYRIAD shall not engage any Third Party hereunder for an initial term of less than three (3) years without the prior written approval of the JMC. Any other use of a Third Party, such as the sublicensing of a Third Party with respect to co-marketing and/or co-promotion in the Co-Promotion Territory, must be approved by the JMC, except to the extent such arrangements either directly or indirectly also involve the marketing, promotion, co-marketing and/or co-promotion of products other than Co-Promotion Products. Any Third Party engaged hereunder shall be a qualified and reputable Detailing professional reasonably satisfactory to the JMC.

(b) The JMC shall be entitled to retain Third Parties inside and outside the Co-Promotion Territory to conduct Post-Launch Product R&D activities with respect to any Co-Promotion Product, and the expenses incurred in connection with such activities shall be included in Commercialization Costs; provided, however, that in the event that any such Third Party is an Affiliate
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of SCHERING, the JMC must first communicate such proposed retention to MYRIAD, which must approve the terms upon which such SCHERING Affiliate shall be retained (such approval not to be unreasonably withheld or delayed).

SECTION 5.5 Commercialization Efforts. With respect to the Co-
Promotion Territory, SCHERING agrees to use commercially reasonable and diligent efforts to prepare the Commercialization Plans and Commercialization Budgets hereunder. Each Party agrees to exert the efforts necessary and reasonable to execute and substantially carry out the Commercialization Plans within the Commercialization Budgets and to cooperate diligently with each other in carrying out the Commercialization Plans.

SECTION 5.6 Commercialization Plan and Budget. SCHERING, after
taking into consideration MYRIAD's and the JMC's comments, shall develop and the JMC shall review, to the extent reasonably practical given the stage of development of each Co-Promotion Product and consistent with SCHERING's reasonable business practice, a commercialization plan ("Commercialization Plan") and a commercialization budget ("Commercialization Budget") for each Co-Promotion Product for the Co-Promotion Territory, including the Third Parties to be utilized and the arrangements with them that have been or are proposed to be agreed upon. Each Commercialization Budget shall include a budget of the expenses expected to be incurred in connection with performing the Commercialization Plan in each applicable country of the Co-Promotion Territory. Each Commercialization Plan and Commercialization Budget shall be submitted to the JMC for review and approval by a date to be established by the JMC taking into account SCHERING's and MYRIAD's annual budget planning calendars. The Commercialization Plan and Commercialization Budget shall be approved by the JMC no later than December 31 of each preceding year.

Any significant change in a Commercialization Plan or Commercialization Budget during the course of the year will be communicated promptly to the JMC. In addition, SCHERING shall provide an update on each Commercialization Plan and Commercialization Budget to the JMC in a manner consistent (with respect to timing and content) with such updates as are reported internally by SCHERING's pharmaceutical Affiliates on their existing products at such time.

SECTION 5.7 Commercialization of Royalty Bearing Product. The commercialization of Royalty Bearing Products shall be conducted independently by SCHERING. SCHERING agrees to use commercially reasonable efforts to commercialize Royalty Bearing Products to market in all countries wherein SCHERING determines in its reasonable judgement that it is commercially reasonable to do so.

SECTION 5.8 Control Over Advertising and Detailing.

(a) Neither Party shall engage in any Tangible Advertising or use any label, package, literature or other written material (other than General Public Relations) in connection with a Co-Promotion Product in the Co-Promotion Territory unless the specific form and content thereof is approved by the JMC.

(b) General Public Relations on the part of either Party need not be approved by the JMC, but all representations and statements pertaining to Co-Promotion Products which appear in General Public Relations of MYRIAD or SCHERING which include subject matter not previously approved by the JMC shall be subject to the approval of the JMC.

(c) All Advertising and Detailing undertaken by either Party hereto shall be undertaken in good faith with a view towards maximizing the sales of the applicable Co-Promotion Product.

(d) Except with the specific written consent of the other Party to this Agreement, neither Party shall use the name of the other Party or any Affiliate of the other Party in Advertising, Detailing or General Public Relations.

SECTION 5.9 Sales Efforts in the Co-Promotion Territory. As part of the Commercialization Plan for the Co-Promotion Territory for each year, the JMC shall determine the targeted level of gross sales of the applicable Co-Promotion Product for the calendar year covered by such Commercialization Plan and the targeted level of gross sales for each potential market or account. Each Commercialization Plan shall provide each Party the opportunity to perform a percentage of the Detailing calls each calendar year as the JMC reasonably considers to be appropriate for the successful Commercialization of such Co-Promotion Product. The JMC shall also include in the Commercialization Plan each Party's sales target for such markets, based on each Party's agreed level of sales target as previously determined by the JMC. The Parties agree to allocate such markets and accounts in an unbiased manner based on objective, quantifiable information and market research data with the objectives of allocating to each Party markets and accounts from which each such Party will have the opportunity to attain its sales target and of maximizing Operating Profits. Notwithstanding the commercially reasonable and diligent efforts of the Parties to effect an objective allocation of individual accounts and markets between the Parties, the Parties recognize that it may be necessary from time to time to reassign individual accounts and markets between the Parties in order to give each Party responsibility for a set of accounts or markets that in the aggregate represent the targeted market opportunity for each Party, and the JMC shall be entitled to review the allocation of accounts as it reasonably determines to be appropriate.

SECTION 5.10 Training Program. SCHERING will ensure that adequate training programs are developed for personnel involved in the Commercialization of Co-Promotion Products in the Co-Promotion Territory. Following the effectiveness of MYRIAD's exercise of its Co-Promotion Option with respect to any Co-Promotion Product, MYRIAD shall play an appropriate role, as reasonably determined by the JMC, in the preparation of such training materials and conduct of training. SCHERING shall submit to the JMC for its review all training materials. The Parties agree to utilize such training programs on an ongoing basis to assure a consistent, focused promotional strategy. Training shall be carried out at a time which is mutually acceptable to the Parties. Except as provided herein, it is agreed that the costs of such training programs shall be borne by each Party respectively. In the event that MYRIAD utilizes SCHERING personnel to provide training to its sales force, SCHERING shall be entitled to recover its direct labor and other out-of-pocket costs associated therewith, and MYRIAD shall reimburse SCHERING for such costs within thirty (30) days after receipt of an appropriate invoice

therefor.

SECTION 5.11 Trademarks. SCHERING shall select the trademark under which each Co-Promotion Product shall be marketed. The Parties shall market each Co-Promotion Product in the Co-Promotion Territory exclusively under the trademark selected pursuant to the preceding sentence (all such trademarks being hereinafter referred to as the "Trademarks" and SCHERING hereby grants MYRIAD a paid-up, non-exclusive license in the Co-Promotion Territory to use such Trademarks solely for such Co-Promotion. SCHERING shall register the Trademarks in the Co-Promotion Territory and shall take all such actions as are required to continue and maintain in full force and effect in the Co-Promotion Territory the Trademarks and the registrations thereof, and shall be solely responsible for all expenses incurred in connection therewith. As between the Parties, SCHERING shall be the exclusive owner (or as applicable exclusive licensee) of the Trademarks in the Co-Promotion Territory. In connection with MYRIAD's use of the Trademarks in the Co-Promotion Territory pursuant to this Section 5.11, MYRIAD shall not in any manner represent that it has any ownership interest in the Trademarks or registrations thereof, and MYRIAD acknowledges that its use of the Trademarks shall not create in its favor any rights therein, but all uses of the Trademarks by MYRIAD shall inure to the benefit of SCHERING except as otherwise provided herein.

SECTION 5.12 Manufacturing and Supply in Commercialization. SCHERING shall be responsible for the commercial manufacture and supply of Human Therapeutic Products other than MYRIAD Products and shall use commercially reasonable efforts to manufacture, or arrange for the manufacture of, the intermediate, drug substance and/or drug product for Human Therapeutic Products for use during the Commercialization of Co-Promotion Products and commercialization of Royalty Bearing Products. SCHERING's Cost of Goods Sold of Co-Promotion Products, plus a mark-up of [ ], shall be included in Commercialization Costs; provided, that such mark-up shall be reduced to [ ] with respect to any Co-Promotion Products that are distributed as promotional samples.

SECTION 5.13 Product Recalls. If either Party commences an internal product quality investigation with respect to a Co-Promotion Product, it shall promptly notify and consult with the other Party regarding such investigation. Further, if either Party believes that a recall of a Co-Promotion Product is necessary, such Party shall notify and consult with the other Party within one working day of such determination, and both Parties shall cooperate to allow such recall to occur under the direction of the JMC; provided, however, that in the event that any regulatory agency threatens or initiates any action to conduct a recall or market withdrawal of a Co-Promotion Product in any country in the Co-Promotion Territory, SCHERING shall be entitled to act unilaterally to effect such recall or market withdrawal, subject to SCHERING's obligation to provide notice to MYRIAD pursuant to Section 3.7. In the event of a dispute about whether to recall a Co-Promotion Product or conduct a market withdrawal, the final decision on such matter shall be made by SCHERING. In the event that MYRIAD disagrees in good faith with any such decision for reasons related to the safety of such Co-Promotion Product, MYRIAD may elect to terminate its Co-Promotion of such Co-Promotion Product pursuant to Section 5.16(b).

SECTION 5.14 Tax Considerations. Either Party may take advantage of tax considerations which benefit it and not the other Party. In the event that a Party takes advantage of a tax consideration which benefits it and not the other Party, no compensation to the other Party is required unless such action affects Operating Profits or Losses negatively, in which case compensation shall be provided to the other Party to make it whole.

SECTION 5.15 Co-Promotion Mechanism.

(a) Sales by SCHERING. All sales of Co-Promotion Products in the Co-Promotion Territory shall be booked by SCHERING. SCHERING and MYRIAD shall conduct Advertising and Detailing of each Co-Promotion Product in the Co-Promotion Territory as contemplated by this Agreement. If, during the Term of this Agreement, MYRIAD receives orders from customers for a Co-Promotion Product, it shall refer such orders to SCHERING.

(b) Processing of Orders for Co-Promotion Products.

(i) All orders for Co-Promotion Products received and accepted by SCHERING during the Term of this Agreement shall be executed by SCHERING in a reasonably timely manner

consistent with the general practices applied by it in executing orders for other pharmaceutical products sold by it.

(ii) SCHERING shall have the discretion to reject any order received by it for a Co-Promotion Product; provided, however, that SCHERING shall not reject such orders on an arbitrary basis, but only with reasonable justification and consistent with the general policies applied by it with respect to orders for other pharmaceutical products sold by it.

(iii) Each Party shall comply with all laws applicable to the sale of a Co-Promotion Product by it.

SECTION 5.16 Termination of Co-Promotion.

(a) At the end of any calendar quarter prior to the fifth anniversary of the first commercial sale of a Co-Promotion Product in the Co-Promotion Territory, MYRIAD shall have the right, exercisable upon three (3) calendar quarters prior written notice (the "Co-Promotion Termination Notice Period") to SCHERING, to convert a Co-Promotion Product into a Royalty Bearing Product. Upon the effectiveness of such conversion, such Co-Promotion Product shall thereafter be treated as a Royalty Bearing Product for all purposes under this Agreement, and any outstanding amount of any Deferred Payments with respect to such Co-Promotion Product shall be forgiven as of such date. Not later than thirty (30) days after the end of the Co-Promotion Termination Notice Period (sixty (60) days if such date is the last day of the fourth calendar quarter of any calendar year), SCHERING shall provide MYRIAD with a report summarizing what the pro forma royalties payable with respect to sales of such Co-Promotion Product in the Co-Promotion Territory would have been under this Agreement during the Co-Promotion Termination Notice Period if such Co-Promotion Product were a Royalty Bearing Product for such period. In the event that such pro forma royalties are greater than the aggregate of the Equalization Payments paid or payable by SCHERING during the Co-Promotion Termination Notice Period (before giving effect to any reduction in any Equalization Payment for any Deferred Payment amounts paid or deemed paid pursuant to the last sentence of Section 6.3) (the amount of such excess being referred to herein as the "Excess Royalty Amount"), the Equalization Payment payable for the third quarter of the Co-Promotion Termination Notice Period shall be accompanied by an amount equal to the Excess Royalty Amount. Any payment to MYRIAD of any Excess Royalty Amount shall be reduced (but not below zero) by the outstanding amount of any accrued Equalization Credit.

(b) Upon ten (10) days notice to SCHERING, in the event of any good faith disagreement regarding the safety of any Co-Promotion Product as set forth in Section 5.13, MYRIAD shall have the right to convert such a Co-Promotion Product into a Royalty Bearing Product. Upon the effectiveness of any such conversion, such Co-Promotion Product shall thereafter be treated as a Royalty Bearing Product for all purposes under this Agreement. Any dispute among the Parties regarding any such conversion shall be subject to arbitration pursuant to Section 13.2 hereof.

ARTICLE VI

PROFIT SHARING AND ROYALTIES

SECTION 6.1 Calculation of Co-Promotion Exercise Payment.

(a) SCHERING Credits. SCHERING shall calculate and maintain records of SCHERING Credits incurred by it in accordance with Exhibit A-1. Within thirty (30) days of the date of the filing of the first Drug Approval Application for each Potential Co-Promotion Product in any country in the Co-Promotion Territory (the "Current Filing Date"), SCHERING shall provide MYRIAD with a calculation of SCHERING Credits incurred over the period commencing on the Effective Date and ending on the Current Filing Date, excluding any SCHERING Credits that were included in the calculation of Current SCHERING Credits in connection with any prior election by MYRIAD of a Co-Promotion Option hereunder ("Current SCHERING Credits"), together with reasonably detailed supporting documentation. Such Current SCHERING Credits shall not include any previously paid SCHERING Credits.

(b) MYRIAD Credits. MYRIAD shall calculate and maintain records of MYRIAD Credits incurred by it in accordance with Exhibit A-2. Within thirty (30) days of the Current Filing Date, MYRIAD shall provide SCHERING with a calculation of MYRIAD Credits incurred over the period commencing on the Effective Date and ending on the Current Filing Date, excluding any MYRIAD Credits that were included in the calculation of Current MYRIAD Credits in connection with any prior exercise by MYRIAD of a Co-Promotion Option hereunder ("Current MYRIAD Credits"), together with reasonably detailed supporting documentation. Such Current MYRIAD Credits shall not include any previously paid MYRIAD Credits.

(c) Co-Promotion Exercise Payment. The Co-Promotion Exercise Payment with respect to each Co-Promotion Product shall be calculated as follows:

[ ]

SECTION 6.2 Share of Operating Profits or Losses.

(a) Equal Sharing.

(i) Upon any election to Co-Promote a Potential Co-Promotion Product made pursuant to Section 5.2, MYRIAD shall be entitled to share equally with SCHERING in Operating Profits or Losses recognized from and after the applicable Current Filing Date from sales of each Co-Promotion Product in the Co-Promotion Territory. In order to exercise such option with respect to any Co-Promotion Product, MYRIAD shall pay to SCHERING an amount equal to the Co-Promotion Exercise Payment with respect to such Co-Promotion Product not later than ten (10) Business Days following the date that MYRIAD shall deliver a Co-Promotion Exercise Notice with respect to such Co-Promotion Product. In the event that MYRIAD shall have failed to make such payment with respect to such Co-Promotion Product within the applicable time period, MYRIAD shall be deemed to have irrevocably waived any right to share equally with SCHERING in Operating Profits or Losses from sales of such Co-Promotion Product and shall share Operating Profits or Losses from sales of such Co-Promotion Product pursuant to paragraph (b) below.

(ii) The Co-Promotion Exercise Payment shall be payable in cash; provided, however, that upon written notice to SCHERING given in conjunction with MYRIAD's Co-Promotion Exercise Notice as set forth above, MYRIAD shall have the option of paying up to fifty percent (50%) of the Co-Promotion Exercise Payment (a "Deferred Payment") over a five (5) year period as set forth below. Any such Deferred Payment shall initially bear interest at a rate per annum equal to the "prime rate" as published in "The Wall Street Journal" on the Business Day immediately preceding the date of MYRIAD's Co-Promotion Exercise Notice plus one percent (1.0%). The applicable interest rate with respect to any Deferred Payment shall be reset on each anniversary of the date of MYRIAD's Co-Promotion Exercise Notice to a rate per annum equal to the "prime rate" as published in "The Wall Street Journal" on the Business Day immediately preceding such anniversary date. Any such Deferred Payment, plus accrued and unpaid interest thereon to the date of payment, shall be deducted (but not below zero) from the Equalization Payments payable by SCHERING pursuant to Section 6.3.

(iii) In the event that MYRIAD shall have failed to pay (including any amounts deducted from Equalization Payments and deemed to have been paid), the entire outstanding amount of any such Deferred Payment, plus accrued and unpaid interest thereon to the date of payment, by the end of such five (5) year period such Co-Promotion Product shall thereafter constitute a Royalty Bearing Product for all purposes under this Agreement, and all Deferred Payments shall be forgiven.

(b) Weighted Sharing. If MYRIAD shall have exercised its Co-Promotion Option with respect to any Co-Promotion Product but shall not be entitled to share equally with SCHERING in Operating Profits or Losses from sales of such Co-Promotion Product pursuant to paragraph (a) above, MYRIAD's share of Operating Profits or Losses from sales of such Co-Promotion Product shall be calculated as follows:

[ ]

Where "Additional MYRIAD Payment" shall mean any sum less than the Co-Promotion Exercise Payment designated as an Additional MYRIAD Payment and paid to SCHERING not later than the tenth (10th) Business Day following the date that MYRIAD shall have delivered a Co-Promotion Exercise Notice with respect to such Co-Promotion Product to SCHERING pursuant to Section 5.2.

(c) Adjustments. In the event that MYRIAD shall have failed (and SCHERING not failed) in any calendar year to meet its expected Detailing effort with respect to any Co-Promotion Product as set forth in the applicable Commercialization Plan for such calendar year by more than five percent (5%), MYRIAD's share of Operating Profits or Losses from sales of such Co-Promotion Product shall be reduced as follows:

[ ]

Such reduction shall become effective at the beginning of the quarter immediately following the end of such calendar year, and shall remain in effect until the later to occur of (i) the end of the calendar year in which such reduction shall have gone into effect and (ii) the JMC shall have determined, after considering MYRIAD's Detailing effort in the preceding calendar year and any other relevant considerations that MYRIAD may bring to the attention of the JMC, to restore MYRIAD's share of Operating Profits or Losses to the share determined pursuant to Section 6.2(a) or (b), as applicable.

SECTION 6.3 Co-Promotion Reports and Payments. Within thirty (30) days of the end of each calendar quarter and sixty (60) days of the end of the fourth quarter of each full calendar year, commencing with the calendar quarter in which the exercise of MYRIAD's Co-Promotion Option with respect to the applicable Co-Promotion Product became effective, each Party shall report to SCHERING and the JMC in a format to be mutually agreed to by the Parties, its revenues and individual expense items (with appropriate supporting information) involved in the computation of Operating Profits or Losses and recognized during such quarter with respect to each such Co-Promotion Product; provided, however, that the computation of Operating Profits or Losses for the quarter in which the exercise of MYRIAD's Co-Promotion Option with respect to the applicable Co-Promotion Product became effective shall include all Operating Profits or Losses recognized with respect to such Co-Promotion Product from the applicable Current Filing Date to the end of such quarter, whether or not such Operating Profits or Losses were actually recognized in such quarter. Within fifteen (15) days after receipt of such reports, SCHERING shall provide for each Co-Promotion Product one financial statement in a format mutually agreed to by the Parties for the Co-Promotion Territory to the JMC, and the JMC shall promptly direct the payment to MYRIAD of any Equalization Payment due to MYRIAD with respect to each Co-Promotion Product, or the booking of a credit to SCHERING in the event that any Equalization Payment is due to SCHERING ("Equalization Credit"), which Equalization Credit shall be deducted from subsequent Equalization Payments until the amount of accrued Equalization Credits shall be reduced to zero. In the event that this Agreement shall terminate for any reason when there are outstanding any accrued and unpaid Equalization Credits, the entire amount of such outstanding accrued and unpaid Equalization Credits shall be due and payable in cash ninety (90) days following receipt of notice by MYRIAD from SCHERING of any such outstanding amounts. The reports and Equalization Payments or Equalization Credits for each of the first three quarters of each fiscal year may be based on estimated Operating Profits or Losses for such quarters to the extent such estimates are included in such Party's books and records. The reports and Equalization Payments or Equalization Credits for the fourth quarter of each fiscal year may include reconciliation and year-end adjustments with respect to previous quarters. Any payment to MYRIAD required by this Section 6.3 shall be made in any event within forty-five (45) days of the due date of the receipt described in the first sentence of this paragraph. Any past due amounts (with respect to overdue payments by SCHERING) and all accrued Equalization Credits shall bear interest at a rate per annum equal to the applicable interest rate then in effect with respect to any Deferred Payment in respect of such Co-Promotion Product (or, if there shall at such date be no such outstanding Deferred Payment, at the rate of interest that would then be in effect pursuant to Section 6.2(a)(ii) had there been any outstanding Deferred Payment in respect of such Co-Promotion Product as of such date), adjusted annually as set forth in Section 6.2(a)(ii), until such amount is repaid. Any payment to MYRIAD pursuant to this Section 6.3 shall be reduced (but not below zero) by the outstanding amount of any accrued Equalization Credits and any Deferred Payments plus, in each case, accrued and unpaid interest thereon to the date of such payment.

SECTION 6.4 Term. The Parties shall share Operating Profits or Losses hereunder with respect to each Co-Promotion Product in the Co-Promotion Territory until each such Co-Promotion Product is permanently withdrawn from and is no longer being sold in the Co-Promotion Territory or until either Party ceases Co-Promotion activities as provided in Section 5.16 or 10.2 hereof.

SECTION 6.5 Royalties.

(a) (i) SCHERING shall pay to MYRIAD a royalty equal [ ] subject to the following:

(ii) If a Royalty Bearing Product is sold in any country in which MYRIAD does not have a valid MYRIAD Patent solely Controlled by MYRIAD, providing coverage which would prevent the sale or development of such Royalty Bearing Product by a Third Party, the royalty obligation set forth in Section 6.5(a)(i) above with respect to [ ] in such country shall be reduced to [ ], until MYRIAD is granted such valid and enforceable Patent coverage of such Royalty Bearing Product in such country.

(iii) If a Royalty Bearing Product is being sold in any country in which MYRIAD has a valid MYRIAD Patent solely Controlled by MYRIAD, providing coverage which would prevent the sale or development of such Royalty Bearing Product by a Third Party, but with respect to which a Third Party is entitled to receive royalties pursuant to Section 4.8 hereof, then the royalty obligation set forth in Section 6.5(a)(i) above with respect to [ ] in such country shall be reduced by [ ] of the amount of the royalty payable to such Third Party, but not below [ ], until such Third Party is no longer entitled to receive a royalty with respect to such Royalty Bearing product in such country.

(b) (i) MYRIAD shall pay to SCHERING a royalty equal to [ ] subject to the following:

(ii) If a MYRIAD Product is sold in any country in which SCHERING does not have a valid SCHERING Patent solely Controlled by SCHERING, providing coverage which would prevent the sale or development of such Royalty Bearing Product by a Third Party, the royalty set forth in Section 6.5(b)(i) above with respect to [ ] in such country shall be reduced to [ ], until SCHERING is granted such valid and enforceable Patent coverage of such MYRIAD Product in such country.

(iii) If a Royalty Bearing Product is being sold in any country in which SCHERING has a valid SCHERING Patent solely Controlled by SCHERING, providing coverage which would prevent the sale or development of such Royalty Bearing Product by a Third Party, but with respect to which a Third Party is entitled to receive royalties pursuant to Section 4.8 hereof, then the royalty obligation set forth in Section 6.5(b)(i) above with respect to [ ] in such country shall be reduced by [ ], until such Third Party is no longer entitled to receive a royalty with respect to such MYRIAD Product in such country.

(c) In the event a Party is receiving royalties under this Agreement from any Royalty Bearing Product or MYRIAD Product sold in the form of a combination product containing one or more active ingredients in addition to the Royalty Bearing Product or MYRIAD Product, as the case may be, and if the full composition of said combination product is not covered by a Patent Controlled by the Party receiving royalties, Net Sales for such combination product will be calculated by multiplying actual Net Sales of such combination product by the fraction A/(A+B), where A is the invoice price of the Royalty Bearing Product or MYRIAD Product if sold separately, and B is the total invoice price of any other active component or components in the combination, if sold separately. If, on a country-by-country basis, the other active component or components in the combination are not sold separately in said country, Net Sales for the purpose of determining royalties of the combination product shall be calculated by multiplying actual Net Sales of such combination product by the fraction A/C, where A is the invoice price of the Royalty Bearing Product or MYRIAD Product if sold separately, and C is the invoice price of the combination product. If, on a country-by-country basis, neither the Royalty Bearing Product or MYRIAD Product nor the other active component or components of the combination product are sold separately in said country, Net Sales for the purposes of determining royalties of the combination product shall be determined by the Parties in good faith on the basis of respective fair market values. If the full composition of the combination product is itself covered by a Patent Controlled by the Party receiving royalties (other than a Patent covering the manufacture, use, importation, sale or offer for sale of said Human Therapeutic Product), the provisions of this paragraph shall not apply to sales of said combination product.

(d) Except where expressly provided otherwise in this Agreement, all royalties to a Party shall be paid, on a country-by-country basis, from the date of the first commercial sale of each Royalty Bearing Product or MYRIAD Product, as the case may be, in a particular country until the later of (i) ten (10) years from the first commercial sale in such country and (ii) (A) with respect to Royalty Bearing Products, the last to expire of any valid and enforceable MYRIAD Patents or SCHERING Patents which has one or more Live Claims (to the extent that, in the case of SCHERING Patents, such Live Claims claim inventions made through the use of MYRIAD Technology, Genes or Interactive Proteins) covering the manufacture, use, importation, sale or offer for sale of the Royalty Bearing Product in such country, or (B) with respect to MYRIAD Products, the last to expire of any valid and enforceable SCHERING Patents or MYRIAD Patents which has one or more Live Claims (to the extent that, in the case of MYRIAD Patents, such Live Claims claim inventions made through the use of SCHERING Technology) covering the manufacture, use, importation, sale or offer for sale of the MYRIAD Product in such country.

(e) Upon expiration of the royalty term for a Royalty Bearing Product in a country as described above, SCHERING shall thereafter have an exclusive, paid-up license to make, have made, use, sell, have sold offer to sell, and import that Royalty Bearing Product in that country, and upon expiration of the royalty term for a MYRIAD Product in a country as described above, MYRIAD shall thereafter have an exclusive, paid-up license to make, have made, use, sell, offer to sell, have sold and import that MYRIAD Product in that country.

SECTION 6.6 Sales by Sublicensees. In the event either Party, subject to the provisions of this Agreement, grants licenses or sublicenses to others to make or sell Royalty Bearing Products or MYRIAD Products, such licenses or sublicenses shall include an obligation for the licensee or the sublicensee to account for and report its Net Sales of such Royalty Bearing Products or MYRIAD Products on the same basis as if such sales were Net Sales by the Party, and such Party shall pay royalties to the other Party at the percentage rates specified in Section 6.5 on any and all compensation received from such Sublicensees.

SECTION 6.7 Royalty Reports and Payments. A report summarizing the Net Sales of any Royalty Bearing Products during the relevant quarter on a country-by-country basis shall be delivered to the receiving Party within ninety (90) days following the end of each calendar quarter for which royalties are due from the selling Party. Such royalty report shall be in a format agreed to by the Parties. Royalty payments under this Agreement shall be made to the receiving Party or its designee quarterly within fifteen (15) days following the date for the report in the first sentence of this paragraph.

SECTION 6.8 Payments. Any payments due under this Agreement shall be in U.S. dollars and made by check sent to the address of the receiving Party set forth in Section 14.4 or by wire transfer to a designated bank account of the receiving Party.

SECTION 6.9 Taxes. The Party receiving royalties shall pay any and all taxes levied on account of royalties it receives under this Agreement. Each Party agrees to provide the other with all forms required under applicable laws and regulations (including, in the case of royalty payments made from the United States, an IRS Form 1001) in order that royalties received or paid under this Agreement are covered by the benefits of the United States-Germany Income Tax Treaty. Provided that each Party receives such forms and complies with any other requirements for treaty protection and exemption from withholding under applicable laws and regulations, each Party agrees not to withhold taxes on royalties except to the extent required by subsequent laws or regulations. If laws or regulations require that taxes be withheld, the selling Party will (i) deduct those taxes from the remittable royalty, (ii) timely pay the taxes to the proper taxing authority, and (iii) send proof of payment to the other Party within thirty (30) days of receipt of confirmation of payment from the relevant taxing authority. The selling Party agrees to take all lawful and reasonable efforts to minimize such taxes to the other Party.

SECTION 6.10 Form of Payment. All payments due MYRIAD hereunder shall be made in United States dollars, for MYRIAD's account, by wire transfer to a bank in the United States designated in writing by MYRIAD; provided, that where payments in respect of Net Sales are based on Net Sales in non-U.S. currencies, the amount of Net Sales and any deductions used to calculate Net Sales, if any, shall be converted by SCHERING based on the average "bid" and "asked" exchange rates provided by Reuters (or a different independent wire service providing, if applicable, international spot exchange rates agreed to by the Parties) prevailing in Frankfurt at 1:00 p.m., Frankfurt time, on the last Business Day of each calendar quarter into Deutsche Marks (after January 1, 1999 into EUROs, if applicable) and then into United States dollars for the applicable quarter.

SECTION 6.11 Payments to or Reports by Affiliates. Any payment required under any provision of this Agreement to be made to either Party or any report required to be made by any Party shall be made to or by an Affiliate of that Party if designated in writing by that Party as the appropriate recipient or reporting entity.

SECTION 6.12 No Overlapping Royalties. Notwithstanding any other provision of this Agreement, in no event shall any royalty provided for under any Section of this Agreement be paid with respect to any sale of a Royalty Bearing Product or MYRIAD Product to the extent a royalty has been paid pursuant to any other Section of this Agreement with respect to such sale.

ARTICLE VII

TREATMENT OF CONFIDENTIAL INFORMATION

SECTION 7.1 Confidentiality.

(a) MYRIAD and SCHERING each recognize that the other's Confidential Information constitutes highly valuable and proprietary confidential information. Subject to the terms and conditions of Article IV with respect to licenses and subject to the publication provisions in Section 7.2, MYRIAD and SCHERING each agree that during the Term of this Agreement and for seven (7) years thereafter, it will keep confidential, and will cause its Affiliates to keep confidential, all Confidential Information of the other Party that is disclosed to it, or to any of its Affiliates, pursuant to or in connection with this Agreement. Neither MYRIAD nor SCHERING nor any of their respective Affiliates shall use Confidential Information of the other Party for any purpose whatsoever except as expressly permitted in this Agreement.

(b) MYRIAD and SCHERING each agree that any disclosure of the other's Confidential Information to any officer, employee, consultant or agent of the other Party or of any of its Affiliates shall be made only if and to the extent necessary to carry out its responsibilities under this Agreement and shall be limited to the maximum extent possible consistent with such responsibilities. MYRIAD and SCHERING each agree not to disclose the other's Confidential Information to any Third Parties under any circumstance without written permission from the other Party, except as required in any patent application or patent prosecution, prosecuting or defending litigation, conducting pre-clinical or clinical trials, in any Drug Approval Application with respect to a Human Therapeutic Product, Diagnostic Product or an Excluded Diagnostic Product, or as otherwise required by law, and except as otherwise expressly permitted by this Agreement. Each Party shall take such action, and shall cause its Affiliates to take such action to preserve the confidentiality of each other's Confidential Information as it would customarily take to preserve the confidentiality of its own Confidential Information. Each Party, upon the other's request, will return all the Confidential Information disclosed to it by the other Party pursuant to this Agreement, including all copies and extracts of documents, within sixty (60) days of the request upon the termination of this Agreement; provided, that a Party may retain Confidential Information of the other Party relating to any license or right to use Technology which survives such termination and one copy of all other Confidential Information may be retained in inactive archives solely for the purpose of establishing the contents thereof. Nothing in this Article VII shall restrict any Party from using for any purpose any Confidential Information independently developed by it during the course of the collaboration hereunder, or from using Confidential Information that is specifically derived from pre-clinical or clinical trials to carry out marketing, sales or professional services support functions as is customary in the pharmaceutical industry.

(c) MYRIAD and SCHERING each warrant that all of its employees, and any consultants to such Party, participating in the Research Program, the Drug Discovery and Early Development Program and the Development Program, or in the Commercialization of Human Therapeutic Products, who shall have access to Confidential Information of the other Party shall be bound by agreements to maintain such information in confidence and not to use such information except as allowed herein.

SECTION 7.2 Publication.

(a) Results obtained in the course of the Research Program, the Drug Discovery and Early Development Program and, subject to subsection 7.2(b) below, the Development Program may be submitted for

publication by either Party hereto or its investigators, consultants or contractors only following full protection of all intellectual property rights in the results to the satisfaction of the JRSC, with respect to the Research Program, DDMC, with respect to the Drug Discovery and Early Development Program, and SCHERING, with respect to the Development Program. Each Party hereto shall be responsible for the compliance of its investigators, consultants and contractors with the provisions of this Section 7.2(a). After full protection of such intellectual property rights, the JRSC, DDMC and SCHERING, as applicable, shall determine the appropriate timing and content of any publication concerning the results of the Research Program, the Drug Discovery and Early Development Program and, subject to subsection 7.2(b) below, the Development Program, as the case may be.

(b) Clinical trial results obtained in the course of the Development Program may be published by either Party hereto or its investigators, consultants or contractors only upon the prior prompt review and written approval of SCHERING, which approval shall not be unreasonably withheld or delayed. Each Party hereto shall be responsible for the compliance of its investigators, consultants and contractors with the provisions of this Section 7.2(b).

SECTION 7.3 Publicity Review. Subject to the further provisions of this Section 7.3, no Party shall originate any written publicity, news release, or other announcement relating to this Agreement or to performance hereunder or the existence of an arrangement between the Parties (collectively, "Written Disclosure"), without the prior prompt review and written approval of the other, which approval shall not be unreasonably withheld or delayed. Notwithstanding the foregoing provisions of this Section 7.3, any Party may make any public Written Disclosure it believes in good faith based upon the advice of counsel is required by applicable law or any listing or trading agreement concerning its publicly traded securities, provided that prior to making such Written Disclosure, the disclosing Party shall provide the other Party with a copy of the materials proposed to be disclosed and provide the receiving Party with an opportunity to promptly review the proposed Written Disclosure. To the extent that the receiving Party reasonably requests that any information in the materials proposed to be disclosed be deleted, the disclosing Party shall request confidential treatment of such information pursuant to Rule 406 of the Securities Act of 1933 or Rule 26b-2 of the Securities Exchange Act of 1934, as applicable (or any other applicable regulation relating to the confidential treatment of information) so that there be omitted from the materials that are publicly filed any information that the receiving Party reasonably requests to be deleted. The terms of this Agreement and the may also be disclosed to (i) government agencies where required by law, or (ii) Third Parties with the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed, so long as such disclosure is made under a binder of confidentiality. Once a Written Disclosure is approved pursuant to this Section 7.3, either Party may publish all or a portion of such Written Disclosure without requiring any further approval from the other Party hereunder.

SECTION 7.4 Disclosure of Inventions. Each Party shall promptly inform the other about all inventions in the Field that are conceived, made or developed in the course of carrying out the Research Program by employees of, or consultants to, either of them solely, or jointly with employees of, or consultants to the other.

SECTION 7.5 Termination of Prior Agreement. This Agreement supersedes the Confidentiality Agreement between Berlex Laboratories, Inc. and MYRIAD dated as of April 15, 1996. All information exchanged between the Parties under that Agreement shall be deemed Confidential Information and shall be subject to the terms of this Article VII, and shall be included within the definition of Technology.

SECTION 7.6 Use of Names. Neither Party shall use the name of the other Party in relation to this transaction in any public announcement, press release or other public document without the written consent of such other Party, which consent shall not be unreasonably withheld or delayed; provided, however, that either Party may use the name of the other Party in any document filed with any regulatory agency or authority, including the FDA and the Securities and Exchange Commission. MYRIAD agrees not to use the name "Schering" in relation to this transaction in any press release, public announcement or other public document without the approval of SCHERING, which approval shall not be unreasonably withheld or delayed.

ARTICLE VIII

OWNERSHIP OF PATENT RIGHTS

SECTION 8.1 Ownership. MYRIAD shall own all inventions made solely by MYRIAD during the course of performance of the Research Program. SCHERING shall own all inventions made solely by SCHERING during the course of performance of the Research Program. The Parties shall jointly own all inventions made jointly by the Parties during the course of performance of the Research Program.

SECTION 8.2 Patent Prosecution.

(a) At its sole expense, MYRIAD shall be responsible, after due consultation with SCHERING, for the filing, prosecution and maintenance of all U.S. Patents relating to solely and jointly invented Genes and Interactive Proteins and antibodies thereto exclusively licensed to SCHERING hereunder. SCHERING shall reasonably cooperate with and assist MYRIAD, at MYRIAD's expense, in connection with such activities at MYRIAD's request.

(b) At its sole expense, SCHERING shall be responsible, after due consultation with MYRIAD, for the filing, prosecution and maintenance of all Patents exclusively licensed by SCHERING hereunder, other than as set forth above, and of all Patents relating to Human Therapeutic Products Developed by SCHERING. MYRIAD shall reasonably cooperate with and assist SCHERING, at SCHERING's expense, in connection with such activities at SCHERING's request.

SECTION 8.3 Third Party Patent Rights. (i) Except as expressly provided in Section 11.1, neither Party makes any warranty with respect to the validity, perfection or dominance of any Patent or other proprietary right or with respect to the absence of rights in Third Parties which may be infringed by the manufacture or sale of any Human Therapeutic Product. Each Party agrees to bring to the attention of the other Party any Patent or Patent application it discovers, or has discovered, and which relates to the rights of either Party pursuant to this Agreement.

SECTION 8.4 Enforcement Rights.

(a) Notification of Infringement. If either Party learns of any infringement or threatened infringement by a Third Party of the SCHERING Patents or MYRIAD Patents, such Party shall promptly give written notice to the other Party and shall provide such other Party with all available evidence of such infringement.

(b) Enforcement.

(i) The Parties shall jointly determine the appropriate course of action to pursue with respect to infringement of any of the MYRIAD Patents covering the development, manufacture, use, importation, sale or offer for sale of Human Therapeutic Products exclusively licensed to SCHERING hereunder. The costs of such Patent enforcement shall be borne by SCHERING. MYRIAD shall reasonably cooperate with and assist SCHERING, at SCHERING's expense, in connection with such activities at SCHERING's request. MYRIAD shall also have the right to join as a party plaintiff in any suit prosecuted by SCHERING hereunder at MYRIAD's expense.

(ii) MYRIAD shall solely determine the appropriate course of action to pursue with respect to infringement of any of the SCHERING Patents exclusively licensed to MYRIAD hereunder pursuant to Section 4.9. The costs of such Patent enforcement shall be borne by MYRIAD and MYRIAD shall be entitled to retain any recoveries relating thereto. SCHERING shall reasonably cooperate with and assist MYRIAD, at MYRIAD's expense, in connection with such activities at MYRIAD's request. SCHERING shall also have the right to join as a party plaintiff in any suit prosecuted by MYRIAD hereunder at SCHERING's expense.

(iii) Each Party shall execute all necessary and proper documents and take such actions as shall be appropriate to allow the other Party to institute and prosecute infringement actions in accordance with this Section at the expense of the Party instituting any such action.

(c) Recoveries. Any recoveries with respect to Patent infringement actions undertaken pursuant to Section 8.4(b)(i) shall be divided as follows:

(i) SCHERING shall recover its expenses;

(ii) MYRIAD shall recover its expenses, if any;

(iii) MYRIAD shall receive a royalty percentage as specified in Section 6.5(a) of this Agreement on any recovery received if such infringement is related to a Royalty Bearing Product; and

(iv) SCHERING shall retain any remaining amount as revenue, subject to any profit sharing arrangement with MYRIAD on any related Co-Promotion Product(s).

(d) Settlement with a Third Party. The Party that is pursuing any action hereunder shall have the exclusive right to control settlement of a such action; provided, however, that no settlement shall be entered into without the written consent of the other Party if such settlement would materially and adversely affect the interests of the other Party hereunder.

SECTION 8.5 Defense and Settlement of Third Party Claims.

(a) Defense. If a Third Party asserts that a patent, trademark or other intangible right owned by it is infringed by the manufacture, use, importation, sale or offer for sale of any Co-Promotion Product or Royalty Bearing Product, SCHERING will be solely responsible for defending against any such assertions at its cost and expense. MYRIAD shall have the right to give SCHERING reasonable assistance in the defense of any such Third Party action or proceeding, at its own expense.

(b) Damages. Any and all expenses, damages or payments, including any royalties, owed to a Third Party with respect to a claim defended under this Section 8.5 shall be the responsibility of SCHERING; provided, however, that such expenses, damages or claims shall be creditable as Commercialization Costs to the extent incurred with respect to Co-Promotion Products in the Co-Promotion Territory.

(c) Settlement with a Third Party. SCHERING shall have the right to control settlement of a Third Party claim; provided, however, no settlement may be entered into without the written consent of the other Party if such settlement would materially and adversely affect that other Party's interests pursuant to this Agreement, which consent shall not be unreasonably withheld or delayed.

ARTICLE IX

INFORMATION AND REPORTS

SECTION 9.1 Information and Reports During Development and Commercialization. In addition to the reports required under Sections 2.5 and 3.5, SCHERING and MYRIAD will disclose and make available to each other without charge (other than reasonable duplicating, postage and related out-of-pocket costs) all preclinical, clinical, regulatory, commercial, marketing, promotion, pricing, sales and other significant information known by SCHERING or MYRIAD directly concerning Genes, Interactive Proteins, Pathways or Human Therapeutic Products (other than with respect to Royalty Bearing Products and MYRIAD Products) at any time during the Term of this Agreement. Each Party will use commercially reasonable efforts to disclose to the other Party all significant information promptly after it is learned or its significance is appreciated. Each Party shall own and maintain its own database of clinical trial data accumulated from all clinical trials of products for which it was responsible pursuant to this Agreement and of adverse drug event information for all such products.

SECTION 9.2 Complaints. Each Party shall maintain a record of all complaints it receives with respect to any Human Therapeutic Product (other than a MYRIAD Product). MYRIAD shall notify SCHERING of any complaint received by it in sufficient detail and within five (5) Business Days after the event, and in any event in sufficient time to allow SCHERING to comply with any and all regulatory requirements imposed upon it in any country; provided, however, that notice of any complaint involving a potential field alert report shall be transmitted within one (1) Business Day.

SECTION 9.3 Adverse Drug Experiences. The Parties recognize that SCHERING as the owner and holder of Drug Approval Applications may be required to submit information and file reports to various governmental agencies on Human Therapeutic Products under clinical investigation, Human Therapeutic Products proposed for marketing or marketed Human Therapeutic Products. Information must be submitted at the time of IND filing and at the time of a request for Regulatory Approval of a new Human Therapeutic Product. In addition, supplemental information must be provided on Human Therapeutic Products at periodic intervals and adverse drug experiences must be reported at more frequent intervals depending on the severity of the experience and whether or not the event is unexpected. Consequently, MYRIAD agrees that, except with respect to MYRIAD Products, it will:

(a) Provide to SCHERING for initial and/or periodic submission to government agencies significant information on Human Therapeutic Products from preclinical laboratory, animal toxicology and pharmacology studies, as well as adverse drug experience reports from clinical trials and commercial experiences with the Human Therapeutic Product;

(b) In connection with investigational Human Therapeutic Products, report to SCHERING within three (3) days of the initial receipt of a report of any unexpected or serious experience with the drug, if required for SCHERING to comply with regulatory requirements; and

(c) In connection with marketed Human Therapeutic Products, report to SCHERING within five (5) Business Days of the initial receipt of a report of any adverse experience with the drug that is serious and unexpected or sooner if required for SCHERING to comply with regulatory requirements. Serious adverse experiences mean any experience that suggests a significant hazard, contraindication, side effect or precaution, or any experience that is fatal or life threatening, is permanently disabling, requires or prolongs impatient hospitalization, or is a congenital anomaly, cancer, or overdose. An unexpected adverse experience is one not identified in nature, specificity, severity or frequency in the U.S. labeling for the drug.

MYRIAD also agrees that if it contracts with a Third Party for research to be performed by such Third Party on the drug, MYRIAD agrees to require such Third Party to report to SCHERING the information set forth in subparagraph (a), (b), and (c) above.

SECTION 9.4 Records of Revenues and Expenses; Resolution of Audit Disputes.

(a) Each Party will maintain complete and accurate records which are relevant to revenues, costs, expenses and payments under this Agreement and such records shall be open during reasonable business hours for a period of three (3) years from creation of individual records for examination at the other Party's expense and not more often than once each year by an independent auditor, which shall be a certified public accountant acceptable to both Parties, for the sole purpose of verifying for the inspecting Party the correctness of calculations and classifications of such revenues, costs, expenses or payments made under this Agreement. In the absence of "Material Discrepancies" (defined as discrepancies in excess of one percent of Operating Profits or Losses) in any request for reimbursement resulting from such audit, the accounting expense shall be paid by the Party requesting the audit. If Material Discrepancies do result, the audited Party shall bear the accounting expense (up to the amount of such discrepancy). Any records or accounting information received from the other Party shall be Confidential Information for purposes of Article VII. Results of any such audit shall be provided to both Parties, subject to Article VII.

(b) If there is a dispute between the Parties following any audit performed pursuant to Section 9.4(a), either Party may refer the issue (an "Audit Disagreement") to an independent certified public accountant for resolution. In the event an Audit Disagreement is submitted for resolution by either Party, the Parties shall comply with the following procedures:

(i) The Party submitting the Audit Disagreement for resolution shall provide written notice to the other Party that it is invoking the procedures of this Section 9.4(b).

(ii) Within fifteen (15) Business Days of the giving of such notice, the Parties shall jointly select a recognized international accounting firm to act as an independent expert to resolve such

Audit Disagreement.

(iii) The Audit Disagreement submitted for resolution shall be described by the Parties to the independent expert, which description may be in written or oral form, within ten (10) Business Days of the selection of such independent expert.

(iv) The independent expert shall render a decision on the matter as soon as practicable.

(v) The decision of the independent expert shall be final and binding unless such Audit Disagreement involves alleged fraud, breach of this Agreement or construction or interpretation of any of the terms and conditions hereof.

(vi) All fees and expenses of the independent expert, including any Third Party support staff or other costs incurred with respect to carrying out the procedures specified at the direction of the independent expert in connection with such Audit Disagreement, shall be borne equally by the Parties, unless the independent expert shall find a Material Discrepancy in excess of five percent of Operating Profits or Losses in the applicable period, in which case the losing Party shall be solely responsible for such fees and expenses.

ARTICLE X

TERM AND TERMINATION

SECTION 10.1 Term. This Agreement shall commence as of the Effective Date and, unless sooner terminated as provided herein and except as provided in Section 10.2, the remaining provisions of this Agreement shall continue in effect until the later of (a) the end of the Research Term and any surviving Exclusive Pathway Options, (b) the date on which the Parties are no longer entitled to receive a share of Operating Profits or Losses on any Human Therapeutic Product or (c) the date on which neither Party is obligated to pay a royalty to the other Party, as the case may be. Those provisions shall govern the term of the rights and obligations specifically covered thereby.

SECTION 10.2 Reasons for Termination.

(a) Termination for Material Breach. Subject to the provisions of this Section 10.2, if either Party (the "Breaching Party") shall have committed a Material Breach and such Material Breach shall remain uncured and shall be continuing for a period of sixty (60) days following receipt of notice thereof by the other Party (the "Non-Breaching Party"), then, in addition to any and all other rights and remedies that may be available, the Non-Breaching Party shall have the right to terminate this Agreement and/or the relevant licenses hereunder effective upon the expiration of such sixty (60) day period. Any such notice of alleged Material Breach by the Non-Breaching Party shall include a reasonably detailed description of all relevant facts and circumstances demonstrating, supporting and/or relating to each such alleged Material Breach by the Breaching Party. Any good faith dispute among the Parties as to whether a Material Breach shall have occurred or been cured shall be subject to arbitration pursuant to Section 13.2 hereof. For purposes of this Agreement, "Material Breach" shall mean the breach of or failure to perform, in a material respect, a Party's material obligations under this Agreement. Without limiting the foregoing and by way of example only, the term "Material Breach" shall be deemed to include the failure of any Party in a material respect to meet such Party's payment obligations hereunder and the unlicensed development or commercialization of a Human Therapeutic Product. In the event of a Material Breach which is specific to any product being developed or commercialized by a Party hereunder, this Agreement may only be terminated with respect to the specific Human Therapeutic Product or MYRIAD Product relevant to such Material Breach. In no event shall the failure to gain Regulatory Approval for a Human Therapeutic Product, in and of itself, be deemed to constitute a Material Breach, unless such failure is a result of acts and events or conduct that is otherwise a Material Breach. The Parties acknowledge and agree that failure to exercise any right or option with respect to any Gene or Interactive Protein or Human Therapeutic Product or to take any action expressly within the discretion of a Party hereunder shall not be deemed to constitute a Material Breach hereunder. Any dispute with respect to the existence of a Material Breach shall be resolved in accordance with the provisions of Article XIII.

(b) Termination Upon a Change of Control. In the event of a Change of Control of either Party (the "Changed Party"), the Changed Party shall deliver promptly to the other Party (the "Non-Changed Party") written notice setting forth the date and circumstances of the Change of Control and the identity of the Acquiring Party. Upon receipt of such notice, or upon delivery to the Changed Party of written notice that the Non-Changed Party has otherwise determined that a Change of Control has occurred, and for a period of ninety (90) days thereafter, the Non-Changed Party shall have the right to terminate this Agreement in its entirety or with respect to one or more particular Genes or Interactive Proteins effective upon the expiration of such ninety (90) day period.

(c) Termination Upon Certain Events of Bankruptcy. In the event that either Party (the "Bankrupt Party") files for protection under United States bankruptcy laws, makes an assignment for the benefit of creditors, appoints or suffers appointment of a receiver or trustee over its property, files a petition under any bankruptcy or insolvency act or has any such petition filed against it which is not discharged within sixty (60) days of the filing thereof, then the other Party (the "Non-Bankrupt Party") shall have the right to terminate this Agreement effective upon the delivery of notice of such termination to the Bankrupt Party.

SECTION 10.3 Effect of Termination by MYRIAD. In the event of a termination of this Agreement by MYRIAD pursuant to Section 10.2(a) any license(s) granted hereunder by MYRIAD pursuant with respect to such Co-Promotion Product, Royalty Bearing Product or Human Therapeutic Product shall cease.

SECTION 10.4 Remedies. If either Party shall fail to perform or observe or otherwise breaches any of its material obligations under this Agreement, in addition to any right to terminate all or any portion of this Agreement, the non-defaulting Party may elect to obtain other relief and remedies available under law.

SECTION 10.5 Survival. Each Party shall remain liable for all obligations accruing prior to any termination of this Agreement but neither Party shall have any obligation to make any milestone, royalty or other payment that has not accrued prior to the effective date of such termination. In addition, the rights and obligations of the Parties pursuant to Article I (to the extent applicable to the interpretation of other surviving claims), Sections 4.6(b), 4.7, 4.8, 4.9, 4.10, 6.5, 6.6, 6.7, 6.8, 6.9, 6.10, 6.11, 6.12, 7.1, 7.6, 8.1, 8.2, 8.4, 9.4, 10.2, 10.3, 10.4 and Articles XII, XIII and XIV hereof shall survive any termination of this Agreement.

ARTICLE XI

REPRESENTATIONS AND WARRANTIES

SECTION 11.1 Representations and Warranties.

(a) Each Party represents and warrants to the other Party that:

(i) Organization. It is a corporation duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation.

(ii) Authority. It has full corporate power and authority to execute and deliver this Agreement and any other agreements and instruments to be executed and delivered by such Party pursuant hereto and to consummate the transactions contemplated hereby and thereby. All corporate acts and other proceedings required to be taken to authorize such execution, delivery and consummation have been duly and properly taken and obtained.

(iii) Enforceability. This Agreement has been duly executed and delivered by such Party and constitutes, and such other agreements and instruments when duly executed and delivered by such Party will constitute, legal, valid and binding obligations of such Party enforceable against such Party in accordance with their respective terms.

(iv) Approvals, Consents, Etc. No approval, authorization, consent or other order or action of or filing with any court, administrative agency or other governmental authority is required for the execution and delivery by such Party of

this Agreement and the execution and delivery by such Party of such other agreements and instruments or the consummation by such Party of the transactions contemplated hereby or thereby (other than contemplated Regulatory Approvals).

(v) No Conflicts. None of the execution, delivery or performance of this Agreement or the other agreements and instruments to be executed and delivered by such Party (A) conflict with (or will conflict with) or result in a breach under (or will result in a breach under) the charter documents or any material contractual undertaking of such Party or its Affiliates; or (B) conflict with (or will conflict with) or result in a violation of (or will result in a violation of) any of the laws of the jurisdiction of incorporation of such Party.

(vi) Title. It has good and marketable title to or valid leases or licenses for, all of its properties, rights and assets necessary for the fulfillment of its responsibilities under this Agreement, subject to no claim of any Third Party other than the relevant lessors or licensors.

(b) MYRIAD represents and warrants to SCHERING that as of the date of this Agreement:

(i) to the best of MYRIAD's knowledge, MYRIAD is the sole owner of, or the exclusive worldwide licensee for, the MYRIAD Patents licensed to SCHERING under this Agreement, free and clear of any liens or encumbrances which would prevent or impair the grant of such license.

(ii) MYRIAD has the right and power to enter into this Agreement and grant the licenses granted to SCHERING under this Agreement in the manner set forth in this Agreement.

(iii) MYRIAD Patents sublicensed to SCHERING under this Agreement are licensed to MYRIAD in a manner sufficient to permit MYRIAD to grant the sublicenses to SCHERING hereunder.

(iv) MYRIAD has not assigned or conveyed any interest in the MYRIAD Patents licensed to SCHERING under this Agreement, or entered into any agreement or made any commitment, which is inconsistent with or in derogation of the licenses granted to SCHERING hereunder.

(v) The execution, delivery and performance by MYRIAD of this Agreement does not require the consent of any Third Party.

ARTICLE XII

INDEMNIFICATION

SECTION 12.1 Indemnification of MYRIAD by SCHERING. SCHERING shall indemnify, defend and hold harmless MYRIAD and its Affiliates, and its directors, officers, and employees, and their respective successors, heirs and assigns (the "MYRIAD Indemnitees"), against any liability, damage, loss, settlement, cost or expense (including reasonable attorneys' fees and expenses of litigation) ("Losses") incurred by or imposed upon the MYRIAD Indemnitees, or any one of them, in connection with any claims, suits, actions, administrative proceedings, demands or judgments of Third Parties ("Claims"), including without limitation personal injury and product liability matters (except in cases where such Claims result from a Material Breach of this Agreement, gross negligence or willful misconduct on the part of MYRIAD) arising out of the, manufacture, promotion, sale or use by any person of any Human Therapeutic Product (other than a MYRIAD Product) which is manufactured or sold by SCHERING or by an Affiliate, sublicensee, distributor or agent of SCHERING.

SECTION 12.2 Indemnification of SCHERING by MYRIAD. MYRIAD shall indemnify, defend and hold harmless SCHERING and its Affiliates and its respective directors, officers, and employees, and their respective successors, heirs and assigns (the "SCHERING Indemnitees"), against any losses incurred by or imposed upon the SCHERING Indemnitees, or any one of them, in connection with any Claims, including without limitation claims of suppliers and MYRIAD employees in the case of clause (a) below and personal injury and product liability matters in the case of clause (b) below (except in cases where such Claims result from a Material Breach of this Agreement, gross negligence or willful misconduct on the part of SCHERING), arising out of (a) any actions of MYRIAD and its directors, officers, employees and agents and their respective successors, heirs and

assigns in the performance of the Research Program, or (b) the manufacture, promotion, sale or use by any person of any Diagnostic Product or MYRIAD Product which is manufactured or sold by MYRIAD or an Affiliate, sublicensee, distributor or agent of MYRIAD (other than SCHERING or any Affiliate of SCHERING).

SECTION 12.3 Notice, Etc. Each MYRIAD Indemnitee and SCHERING Indemnitee (each, an "Indemnitee") agrees to give the indemnifying Party prompt written notice of any Claim, for which such Indemnitee intends to assert a right to indemnification under this Agreement; provided, however, that failure to give such notification shall not affect the Indemnitee's entitlement to indemnification hereunder except to the extent that the indemnifying Party shall have been prejudiced as a result of such failure. The indemnifying Party shall have the sole right (but not the obligation) to defend, settle or otherwise dispose of any Claim for which the Indemnitee intends to assert a right to indemnification under this Agreement as contemplated in the preceding sentence on such terms as the indemnifying Party, in its sole discretion, shall deem appropriate if and so long as the indemnifying Party has recognized in a written notice to the Indemnitee its obligation to indemnify the Indemnitee for any Losses relating to such Claim; providing, however, that the indemnifying Party shall obtain the written consent of the Indemnitee prior to ceasing to defend, settling or otherwise disposing of any Claim if as a result thereof the Indemnitee would become subject to injunctive or other equitable relief that could reasonably be expected to have a material adverse effect on the business of the Indemnitee in any nonmonetary manner.

ARTICLE XIII

DISPUTE RESOLUTION

SECTION 13.1 Senior Officials. The Parties recognize that a bona fide dispute as to certain matters may from time to time arise during the Term of this Agreement which relate to either Party's rights and/or obligations hereunder. It is the objective of the Parties to establish procedures to facilitate the resolution of disputes arising under this Agreement in an expedient manner by mutual cooperation. To accomplish this objective, the Parties agree to follow the procedures set forth in this Article XIII if and when a dispute arises under this Agreement. In the event of the occurrence of such a dispute, either Party may, by notice to the other Party, have such dispute referred to their respective senior officials designated below or their successors, for attempted resolution by good faith negotiations within thirty (30) days after such notice is received. Said designated senior officials are as follows:

For SCHERING:	President, Berlex Biosciences, a division of Berlex Laboratories, Inc., an Affiliate of SCHERING
For MYRIAD:	President, Myriad Genetics, Inc.

In the event the designated senior officials are not able to resolve such dispute within the thirty (30) day period.

SECTION 13.2 Arbitration. In the event that the Parties cannot resolve any dispute hereunder as set forth above, other than as provided in Section 2.1(f), the Parties shall submit the matter to arbitration as provided herein. Binding arbitration shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association. The arbitration panel shall be composed of three arbitrators, one of whom shall be chosen by SCHERING, one by MYRIAD and the third by the two arbitrators so chosen. If both or either of MYRIAD or SCHERING fails to choose an arbitrator or arbitrators within fourteen (14) days after receiving notice of commencement of arbitration or if the two arbitrators fail to choose a third arbitrator within fourteen (14) days after their appointment, then the President of the New York office of the American Arbitration Association shall, upon the request of both or either of the Parties to the arbitration, appoint the arbitrator or arbitrators required to complete the board.

(a) Exchange of Proposals. Within ten (10) days of the appointment of the full arbitration panel, the Parties shall exchange documents setting forth their final detailed proposals for resolution of the matter in dispute, together with a brief or other written memorandum supporting the merits of their final proposal. The arbitration panel shall promptly convene a hearing in New York, New York, at which time each Party shall have an

agreed upon time to argue and present witnesses in support of its final proposal.

(b) Selection of Final Proposal. The arbitration panel shall select the proposal which most closely reflects a commercially reasonable interpretation of the terms of this Agreement as the way to resolve the matter. In making their selection, the arbitrators shall not modify the terms or conditions of either Party's final proposal nor shall the arbitrators combine provisions from both final proposals. In making their selection, the arbitrators shall consider the terms and conditions of this Agreement, the relative merits of the final proposals, and the written and oral arguments of the Parties. In the event the arbitrators seek the guidance of the law of any jurisdiction, the law of the State of New York shall govern.

(c) Arbitration Regarding Material Breach. In the event any arbitration shall be conducted hereunder pursuant to Section 10.2(a) with respect to whether a Material Breach shall have occurred or been cured, the authority of the arbitration panel shall be limited to the specific question of determining whether such Material Breach shall have occurred or been cured, and, notwithstanding any additional matters that may be set forth in either Party's proposal, the arbitration panel shall not be empowered to make any other decision or award any relief or remedy. In the event that the arbitration panel shall determine that such Material Breach shall have occurred the Breaching Party shall be entitled to cure such Material Breach within sixty (60) days following the arbitration panel's decision and if not so cured within the applicable time period, the Non-Breaching Party shall be entitled to terminate this Agreement and/or the relevant license hereunder pursuant to Section 10.2(a).

(d) Notification of Decision. The arbitrators shall make their decision known to both Parties as quickly as possible by delivering written notice of their decision to both Parties. The Parties shall agree in writing to comply with the proposal selected by the arbitration panel within five (5) days of receipt of such selection. The decision of the arbitrators shall be final and binding on the Parties, and specific performance may be ordered by any court of competent jurisdiction.

(e) Costs. The Parties shall bear their own costs in preparing for the arbitration. The costs of the arbitrators shall be equally divided between the Parties.

ARTICLE XIV

MISCELLANEOUS

SECTION 14.1 No Agency. Nothing contained in this Agreement or the other agreements and instruments to be executed and delivered by the Parties hereto shall be deemed to constitute MYRIAD or any of its Affiliates as agent or representative of SCHERING for any purpose, or constitute SCHERING or any of its Affiliates as agent or representative of MYRIAD for any purpose. The status of each of the Parties hereto with respect to the transactions contemplated by this Agreement is that of an independent contracting party acting for its own account.

SECTION 14.2 Expenses. Except as otherwise specifically provided in this Agreement, each Party will pay its own expenses incident to this Agreement and the transactions contemplated hereby, including legal and other fees and disbursements.

SECTION 14.3 Binding Effect. This Agreement shall be binding upon and inure to the benefit of each Party and its successors and permitted assigns upon the execution thereof by the Parties.

SECTION 14.4 Notices. Notices hereunder shall be in writing and shall be delivered by telecopier, telex, international cable, air courier or air mail, postage prepaid, as follows:

To SCHERING: Schering Aktiengesellschaft
13342 Berlin, Germany
Telecopier: 011-49-30-4681-4086
Attention: Legal Department

With copies to: Berlex Laboratories, Inc.
340 Changebridge Road
Montville, NJ 07045-1000
Telecopier: (973) 276-2000
Attention: Vice President, Law

and

Berlex Biosciences
Division of Berlex Laboratories, Inc.
15049 San Pablo Avenue
P.O. Box 4099
Richmond, CA 94804-0099
Telecopier: (510) 262-7095
Attention: General Counsel

To MYRIAD:

Myriad Genetics, Inc.
320 Wakara Way
Salt Lake City, UT 84108
Telecopier: (801) 584-3640
Attention: President

With a copy to:

Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.
One Financial Center
Boston, MA 02111
Telecopier: (617) 542-2241
Attention: Jonathan Kravetz, Esq.

Either Party may designate any other address for notices hereunder by written notice to the other Party given in accordance with this Section 14.4 at least ten (10) days prior to the effective date of such change. Notices shall be deemed given: (i) when delivered, in the case of personal delivery; or (ii) on the date transmitted, in the case of a telecopy, as evidenced by a dated confirmation report generated by the sending telecopy machine indicating

successful transmission to the recipient's telecopier number.

SECTION 14.5 Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner adverse to either Party. Upon such determination that any term or other provision hereof is invalid, illegal or incapable of being enforced, the Parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the extent that the transactions contemplated hereby are fulfilled to the extent possible.

SECTION 14.6 Cooperation. The Parties shall cooperate with one another in signing such documents and instruments and taking such other reasonable and lawful action as may be necessary or appropriate in performing and carrying out the terms of this Agreement.

SECTION 14.7 Amendments and Waivers. The Parties hereto may, by written agreement signed by each Party, modify any of the covenants or agreements or extend the time for the performance of any of the obligations contained in this Agreement. Any Party hereto may waive, by written instrument signed by such Party, any inaccuracies in the representations and warranties of the other Party or compliance by another Party with any of its obligations contained in this Agreement. This Agreement may be amended only by written instrument signed by the Parties hereto and any waiver relating to this Agreement must be in writing signed by the Party granting such waiver.

SECTION 14.8 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

SECTION 14.9 Entire Agreement. This Agreement, together with the exhibits hereto, and the agreements and instruments delivered pursuant hereto, contain the entire agreement between the Parties hereto, and supersede all prior agreements and undertakings between the Parties hereto relating to the subject matter hereof or to any other subject or proposed transaction. No representation or warranty shall be deemed to have been made herein except for those representations and warranties expressly made herein.

SECTION 14.10 Headings. The section headings contained in this Agreement are included for convenience only and form no part of the agreement between the Parties.

SECTION 14.11 Assignment and Successors. This Agreement may not be assigned by either Party, except that each Party may assign this Agreement and the rights, obligations and interests of such Party, in whole or in part, to any of its Affiliates which are more than 50% owned by such Party or which own more than 50% of the voting stock of such Party, or to any purchaser of all or substantially all of its assets or to any successor corporation resulting from any merger or consolidation of such Party with or into such corporations.

SECTION 14.12 Force Majeure. Neither SCHERING nor MYRIAD shall be liable for failure of or delay in performing obligations set forth in this Agreement, and neither shall be deemed in breach of its obligations, if such failure or delay is due to natural disasters or any causes beyond the reasonable control of SCHERING or MYRIAD. In event of such force majeure, the Party affected thereby shall use reasonable efforts to cure or overcome the same and resume performance of its obligations hereunder.

SECTION 14.13 Parties in Interest. Except as provided in Article XII, nothing in this Agreement, express or implied, is intended to confer on any person or entity other than the Parties hereto and their respective permitted sublicensees and assignees any rights or remedies under or by virtue of this Agreement, and no person or entity shall assert any rights as a Third Party beneficiary hereunder.

SECTION 14.14 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York without regard to New York's choice of law provisions other than those directing the application of New York law.

SECTION 14.15 Further Assurances. The Parties agree to duly execute and deliver, or cause to be duly executed and delivered, such further instruments and do and cause to be done such further acts and things, including, without limitation, the filing of such additional assignments, agreements, documents and instruments, that may be necessary or as any other Party hereto may at any time and from time to time reasonably request in connection with this Agreement to carry out more effectively the provisions and purposes of, or to better assure and confirm unto such other Party its rights and remedies under, this Agreement.

SECTION 14.16 Bankruptcy. All rights and licenses granted under or pursuant to this Agreement are, and shall otherwise be, deemed to be, for purposes of Section 365(n) of the U.S. Bankruptcy Code, licenses of rights to "intellectual property" as defined under Section 101(52) of the U.S. Bankruptcy Code. The Parties to this Agreement shall retain and may fully exercise all of their respective rights and elections under the U.S. Bankruptcy Code. The Parties further agree that, in the event of the commencement of bankruptcy proceeding by or against a party licensor under the U.S. Bankruptcy Code, the licensee shall be entitled to a complete duplicate of (or complete access to, as appropriate) any such intellectual property and all embodiments of such intellectual property, and same, if not already in its possession, shall be promptly delivered to the licensee (a) upon any such commencement of a bankruptcy proceeding upon written request therefor by the licensee, unless the licensor elects to continue to perform all of its obligations under this Agreement, or (b) if not delivered under (a) above, upon the rejection of the Agreement by or on behalf of the licensor upon written request therefor by the licensee, provided, however, that upon the licensor's (or its successor's) written notification to the licensee that it is again willing and able to perform all of its obligations under this Agreement, the licensee shall promptly return all such tangible materials to the licensor, but only to the extent that the licensee does not require continued access to such materials to enable the licensee to perform its obligations under this Agreement.

SECTION 14.17 Ambiguities. Ambiguities, if any, in this Agreement shall not be construed against any Party, irrespective of which Party may be deemed to have authored the ambiguous provision.

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed on its behalf by its duly authorized representative.

SCHERING AKTIENGESELLSCHAFT

By: /s/ Professor Stock

Name: Prof. Stock
Title: Member of Executive Board of Directors

By: /s/ Dr. Kapp

Name: Dr. Kapp
Title: Head of Strategic Business Unit-Therapeutics

MYRIAD GENETICS, INC.

By: /s/ Peter D. Meldrum

Name: Peter D. Meldrum
Title: President & C.E.O.

By:

Name:
Title:

EXHIBIT A-1

SCHERING CREDITS

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EXHIBIT A-2

MYRIAD CREDITS

[

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Exhibit 10.9

COLLABORATIVE PRONET RESEARCH AND LICENSE AGREEMENT

dated as of November 11, 1998

by and between

MYRIAD GENETICS, INC

and

MONSANTO COMPANY

COLLABORATIVE PRONET RESEARCH AND LICENSE AGREEMENT

This COLLABORATIVE PRONET RESEARCH AND LICENSE AGREEMENT (this "Agreement"), is made as of November 11, 1998 (the "Effective Date"), by and between MONSANTO COMPANY, a Delaware corporation (hereinafter "MONSANTO"), and MYRIAD GENETICS, INC., a Delaware corporation (hereinafter "MYRIAD"). MONSANTO and MYRIAD are sometimes referred to herein individually as a "Party" and collectively as the "Parties."

W I T N E S S E T H:

WHEREAS, MYRIAD has expertise in the discovery and characterization of genes related to major common diseases and in the development of human diagnostic products and services derived from disease genes, and has developed a proprietary ProNet Technology to identify and compile data with respect to protein-protein Interactions with potential application in the development of human diagnostic and therapeutic products; and

WHEREAS, MONSANTO has expertise in discovering, developing, manufacturing, distributing and marketing human therapeutic products; and

WHEREAS, MYRIAD and MONSANTO are interested in entering into an agreement whereby MYRIAD and MONSANTO will jointly perform research using MYRIAD's proprietary ProNet Technology to identify Genes and Interactive Proteins and whereby MONSANTO shall have the option to obtain from MYRIAD a license to use, commercialize and exploit the results of such research for the discovery, development, manufacture and marketing of Licensed Products derived from such Genes and Interactive Proteins.

NOW THEREFORE, in consideration of the premises, and the representations, covenants and agreements hereinafter set forth, and for other good and valuable consideration, the adequacy and sufficiency of which is hereby acknowledged, the Parties hereto, intending to be legally bound, do hereby agree as follows:

ARTICLE 1
DEFINITIONS

As used in this Agreement, the following terms, when capitalized, shall have the meanings ascribed to them below.

1.1 "Affiliate" means any person, corporation, partnership, firm, joint venture or other entity which, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, MONSANTO or MYRIAD, as the case may be. As used in this definition, "control" means the possession of the power to direct or cause the direction of the management and policies of an entity, whether through the ownership of the outstanding voting securities or by contract or otherwise.

1.2 "Annual Research Plan" means the written plan describing the research in the Field to be carried out during each year of the Research Program by MYRIAD and MONSANTO pursuant to this Agreement. Each Annual Research Plan shall be approved by the Steering Committee pursuant to Section 2.1(b) below.

1.3 "Applicable Rate" has the meaning set forth in Section 4.7(b).

1.4 "Bait" means any protein or gene or fragment thereof intended to be used with the ProNet Technology under the Research Program to identify and select Interactive Proteins and/or Genes that Interact therewith.

1.5 "Characterize" means, with respect to any gene, understanding the function or activity of the protein produced by such gene.

1.6 "Claims" has the meaning set forth in Section 9.1.

1.7 "Confidential Information" means all information (including but not limited to information about any element of Technology) which is disclosed by one Party to the other hereunder or under the Confidentiality Agreement referred to in Section 5.4 to the extent that such information, as of the date of its disclosure, is not demonstrably known to the Party or its Affiliates receiving such disclosure as shown by written, electronic or other

records (other than by virtue of a prior confidential disclosure to such Party or its Affiliates). For purposes of this definition, "Confidential Information" shall not include any information which, as of the date of disclosure or thereafter (i) is disclosed in published literature through no fault or omission of the Party receiving such disclosure; (ii) is obtained from a Third Party free from any obligation of confidentiality owed to the disclosing Party and having the lawful right to disclose it; or (iii) is known to the receiving Party, other than under an obligation of confidentiality, at the time of disclosure by the other Party, as evidenced by the written, electronic or other records of the receiving Party.

1.8 "Control" or "Controlled" refers to possession of the ability to grant a license or sublicense of patent rights, know-how or other intangible rights as provided for herein without violating the terms of any agreement or other arrangement with any Third Party.

1.9 "Diagnostic Product" means all human, veterinarian and other in vivo or in vitro diagnostic products and services derived from a Gene or Interactive Protein discovered under the Research Program, including without limitation products or services utilized to identify predisposition to disease, confirm disease, predict therapeutic effectiveness, monitor disease progression, determine prognosis or stratify patient groups.

1.10 "Discover" (and any derivation such as Discovered or Discovery with appropriate adjustments in tense as the context shall require) shall mean, with respect to any Gene, to isolate, clone, identify and sequence that Gene.

1.11 "Discontinued Product" has the meaning set forth in Section 3.8.

1.12 "Effective Date" has the meaning specified in the Preamble to this Agreement.

1.13 "Exclusive License" has the meaning set forth in Section 3.3.

1.14 "Expiration Date" has the meaning set forth in Section 2.4.

1.15 "FDA" means the United States Food and Drug Administration or any successor agency.

1.16 "Field" means all life science uses of products, including, without limitation, products relating to human, veterinarian, agricultural, therapeutic and prophylactic uses (including Small Molecule Drugs and Non-Small Molecule Drugs and Diagnostic Products (subject to the remainder of this definition), protein replacement, antisense, ribozymes, and cell or gene therapy) for any clinical indication of the Genes and/or Interactive Proteins discovered under the Research Program through the ProNet Technology, but excluding human Diagnostic Products to the extent commercialized for sale to or use by a Third Party (provided that MONSANTO shall have a right of first offer on any sales, transfers, assignments, licenses or other dispositions to a Third Party by MYRIAD of rights in and/or to any such human Diagnostic Products).

1.17 "First Commercial Sale" shall mean, with respect to any Licensed Product, the first sale (including to wholesalers) for end use or consumption of such Licensed Product in a country after all required approvals, including marketing and pricing approvals, have been granted by the governing health authority of such country.

1.18 "G7 Country" means Canada, England, France, Germany, Italy, Japan or the United States.

1.19 "Gene" means a DNA fragment, or portion thereof, that has been identified under the Research Program through the ProNet Technology and which codes for an Interactive Protein or a portion thereof.

1.20 "IND" means an investigational new drug application required to be filed with the FDA pursuant to 21 C.F.R. (S) 312, as such regulations may be

amended from time to time, to test drug products in humans, or any foreign equivalent in any G7 Country.

1.21 "Interaction" or "Interact" means contact between proteins that is sufficiently stable to allow the ProNet Technology to identify such proteins or portions thereof.

1.22 "Interactive Protein" means a gene or protein or portion of a protein or gene which has been identified under the Research Program by means of the ProNet Technology as a protein which directly, or indirectly through a series of Interactions, Interacts with another protein or gene or portion of a protein or gene.

1.23 "Licensed Product" means any product for prophylactic or therapeutic use in the Field as to which MONSANTO has exercised an Option pursuant to Section 2.3(b), which consists of, is comprised of, is derived from and/or related to:

(a) a Gene or Interactive Protein that is licensed by MONSANTO hereunder;

(b) any fragment or mutation of (a);

(c) an RNA or a DNA sequence corresponding, complementary to, or an antisense sequence to a Gene or fragment of a Gene in (a) or (b);

(d) an antibody to an Interactive Protein;

(e) a gene therapy or cell therapy product incorporating any of (a), (b), (c) or (d); or

(f) a molecule or compound, regardless of its function or utility, which is discovered or whose function or utility is discovered in the Research Program utilizing the ProNet Technology or other information relating to (a) through (e) above.

The entities listed in (b) through (f) are sometimes referred to herein as "derived" from the Gene or Interactive Protein in (a) above. For purposes of the payments required to be made by MONSANTO under Article IV only, the term "Licensed Product" shall not include any Interactive Protein, Gene or other specific composition of matter that (x) as of the date hereof, is already known as a product candidate to Monsanto or its Affiliates, as shown by written, electronic or other records, or their current and future licensors, or to any third party that acquires, is acquired by or merges with Monsanto or any successor entity (with the right to use), other than by receipt from MYRIAD, or that after the date hereof ceases to be proprietary and comes within the public domain or knowledge of MONSANTO or (y) at the time of disclosure to MONSANTO, or at the time of use by MONSANTO, as applicable, is part of the public domain or independently known to MONSANTO, as shown by written, electronic or other records, provided, however, that any such Interactive Protein, Gene or other specific composition of matter or use thereof shall be a "Licensed Product" for purposes of payments required to be made by MONSANTO under Article IV if it or its use is covered by a Valid Claim of a Research Program Patent.

1.24 "Losses" has the meaning set forth in Section 9.1.

1.25 "MONSANTO Database" has the meaning set forth in Section 2.6(a).

1.26 "MONSANTO Indemnitees" has the meaning set forth in Section 9.2.

1.27 "MONSANTO Information" means any information and materials, including DNA and other similar molecules, delivered by MONSANTO to MYRIAD for use in the Research Program, and all results, including DNA and other similar molecules produced in PCR reactions and otherwise, of research conducted using such information and materials to the extent such information and materials are proprietary and confidential to MONSANTO.

1.28 "MONSANTO Technology" has the meaning set forth in Section 6.1(b).

1.29 "MYRIAD Indemnitees" has the meaning set forth in Section 9.1.

1.30 "MYRIAD Patent" means a Patent Controlled by MYRIAD which claims any Technology necessary or useful for the development, manufacture, use, importation, sale or offer for sale of a Licensed Product.

1.31 "MYRIAD Technology" means all Technology Controlled by MYRIAD, including the ProNet Technology, Research Program Technology and any Technology claimed or described in a MYRIAD Patent or a Research Program Patent.

1.32 "NDA" means a new drug application required to be filed with the

FDA pursuant to 21 C.F.R. (S) 313, as such regulation may be amended from time to time, to market a drug, or any foreign equivalent in a G7 Country.

1.33 "Net Sales" means, with respect to each country in the Territory, amounts invoiced by MONSANTO, its Affiliates and sublicensees with respect to all sales of Licensed Products covered by a Valid Claim under any MYRIAD Patent or Research Program Patent or Patent resulting from use of Research Program Technology ("Patented Licensed Products") to unaffiliated Third Parties (whether an end-user, a distributor or otherwise), and exclusive of intracompany transfers in the Territory, less the reasonable and customary deductions from such gross amounts including, without limitation:

(a) cash and quantity discounts, allowances and credits actually allowed and taken;

(b) credits or allowances actually granted for damaged goods, recalls, returns or rejections of Licensed Products and retroactive price reductions;

(c) sales or similar taxes (including duties or other governmental charges levied on, absorbed or otherwise imposed on the sale of Licensed Products including, without limitation, value added taxes or other governmental charges otherwise measured by the billing amount) when included in billing;

(d) freight, postage, shipping, customs duties and insurance charges paid by MONSANTO;

(e) charge back payments, discounts and rebates (whether mandated or otherwise) incurred for managed health care organizations or to federal, state and local governments, their agencies, and purchasers and reimbursers or to trade customers, including but not limited to, wholesalers and chain and pharmacy buying groups and charge back payments, discounts and rebates (whether mandated or otherwise) charged by national or local government authorities in countries other than the United States and paid or credited by MONSANTO; and

(f) commissions paid to Third Parties other than sales personnel and sale representatives or sales agents directly related to such sales.

1.34 "Non-Small Molecule Drugs" means genes, gene fragments, proteins, protein fragments, RNA, antibodies and any other compounds with molecular weights equal to or greater than 1,000 daltons.

1.35 "Option" has the meaning set forth in Section 2.3(b).

1.36 "Option Period" has the meaning set forth in Section 2.3(b).

1.37 "Patent" means United States and foreign patents, applications and provisional applications for United States and foreign patents, and all reexaminations, reissues, extensions, term restorations, divisionals, continuations and continuations-in-part thereof.

1.38 "Patented Licensed Products" shall have the meaning set forth in Section 1.33.

1.39 "Pathway" means a series of Genes that code for Interactive Proteins that Interact with one another, including the related Interactions.

1.40 "Previously Licensed Proteins" shall mean those proteins and/or genes licensed by MYRIAD to any Third Party prior to the date such proteins and/or genes are placed in the MONSANTO Database; provided that, as of the date of such license, MYRIAD had no reason to believe such proteins and/or genes could form a part of a the Research Program and/or a Monsanto Database.

1.41 "ProNet" shall mean MYRIAD's database of Interactive Proteins resulting from the use of the ProNet Technology.

1.42 "ProNet Technology" means the proprietary tools (robotics, plastics, software, etc.), proprietary methods (protocols, processes, etc.) and proprietary reagents (vectors, strains, buffers and solutions, etc.) used by MYRIAD to carry out yeast two hybrid protein-protein Interaction studies, including MYRIAD's proprietary compilation of protein-protein Interaction data

for the human genome which is generally accessible to MYRIAD's ProNet collaborators, including improvements thereto.

1.43 "Related Licensed Products" shall have the meaning set forth in Section 4.2.

1.44 "Research Program" means the collaborative research program specified in the applicable Annual Research Plan.

1.45 "Research Program Patent" means any Patent filed by either party covering Research Program Technology.

1.46 "Research Program Technology" has the meaning set forth in Section 6.1(a).

1.47 "Research Term" has the meaning set forth in Section 2.4.

1.48 "Small Molecule Drugs" means naturally occurring or synthetic compounds with molecular weights of less than 1,000 daltons.

1.49 "Steering Committee" has the meaning set forth in Section 2.2.

1.50 "Surrogate Product" has the meaning set forth in Section 3.8.

1.51 "Technology" means and includes all proprietary information and materials related to the Field, including but not limited to nucleic acid constructs, genes, proteins, DNA fragments and primers, procedures, processes, technical information, know-how, data, expertise and trade secrets.

1.52 "Territory" means the world.

1.53 "Term" refers to the term of this Agreement as provided in Section 7.1.

1.54 "Third Party" means any entity other than MONSANTO, MYRIAD and their respective Affiliates.

1.55 "Valid Claim" means any claim of a pending patent application or an unexpired patent which has not been held unenforceable, unpatentable or invalid by a decision of a court of other governmental agency of competent jurisdiction, unappealed or unappealable within the time allowed for appeal, and which has not been admitted to be invalid or unenforceable through reissue, reexamination, disclaimer or otherwise.

1.56 "Written Disclosure" has the meaning set forth in Section 5.3.

ARTICLE II
RESEARCH PROGRAM

2.1 Research Program.

(a) Objectives of Research Program. MYRIAD and MONSANTO shall engage in the Research Program upon the terms and conditions set forth in this Agreement and in the applicable Annual Research Plan. As will be specified in the initial Annual Research Plan, Monsanto shall initially select for analysis in the Research Program two Pathways and several Baits related thereto. From time to time thereafter, MONSANTO may specify additional Baits to be used in the Research Program. MYRIAD will use commercially reasonable efforts using the ProNet Technology to identify all Genes and Interactive Proteins that Interact with the initial Baits provided by MONSANTO hereunder and such additional Baits as may be approved by the Steering Committee hereunder; provided, however, that MYRIAD shall not be obligated to disclose the name and/or sequence of any Previously Licensed Protein to the extent that MYRIAD is prohibited from doing so under any binding agreement with the licensee of such Previously Licensed Protein. It is hereby agreed that MONSANTO may, at anytime during the Research Term and upon not less than thirty (30) days' written notice, or as otherwise approved by the Steering Committee, and upon payment to MYRIAD of [ ], add one additional Pathway (or more with the prior approval of the Steering Committee) to the Research Program (and Baits related thereto) for analysis using the ProNet Technology.

(b) Annual Research Plans. For each year of the Research Program

commencing with the second year, an Annual Research Plan shall be prepared and approved in preliminary form by the Steering Committee no later than one hundred eighty (180) days before the end of the prior year and approved by the Steering Committee in final form no later than ninety (90) days before the end of the prior year. The Annual Research Plan for the first year shall be approved by the Steering Committee in final form within 30 days after the Effective Date. Each Annual Research Plan shall be in writing and shall set forth with reasonable specificity research objectives and milestones for the period covered by the Annual Research Plan. The Steering Committee may make adjustments in the Annual Research Plan at its quarterly meetings or otherwise as it may determine.

2.2 Joint Research Steering Committee. The parties hereby establish a Joint Research Steering Committee (the "Steering Committee") to facilitate the Research Program as follows:

(a) Establishment and Functions. The Steering Committee shall plan, administer and monitor the Research Program. In particular, the Steering Committee shall review progress in the Research Program and recommend necessary adjustments to the Research Program as the research takes place.

(b) Membership. MYRIAD and MONSANTO each shall appoint, in its sole discretion, three members to the Steering Committee, unless otherwise agreed to by the Parties. Substitutes or alternates may be appointed at any time by notice in writing to the other Party.

The members of the Steering Committee initially shall be:

MYRIAD Appointees:

[

]

MONSANTO Appointees:

[

]

(c) Chairs. The Steering Committee shall be chaired by two co-chairpersons, one appointed by MYRIAD and the other appointed by MONSANTO from the Steering Committee members.

(d) Meetings. The Steering Committee shall meet at least quarterly, at places and on dates selected by each Party in turn, unless the Parties agree otherwise. Representatives of each Party or its Affiliates, in addition to the members of the Steering Committee, may attend such meetings at the invitation of either Party.

(e) Minutes. The Steering Committee shall keep accurate minutes of its deliberations which record all proposed decisions and all actions recommended or taken. Drafts of the minutes shall be delivered to all Steering Committee members no later than two weeks after the date of the applicable meeting. The Party hosting the meeting shall be responsible for the preparation and circulation of the draft minutes relating thereto. Draft minutes shall be edited by the co-chairpersons and shall be issued in final form only with their approval and agreement as evidenced by their signatures on the minutes.

(f) Quorum; Voting; Decisions. At each Steering Committee meeting, at least two representatives of each Party shall constitute a quorum. The Steering Committee representatives of each Party shall collectively have one vote on all matters before the Steering Committee. All decisions of the Steering Committee shall be made by unanimous vote of both Parties present at any meeting at which a quorum is present. In the event that the Steering Committee is unable to resolve any matter before it, such matter shall be referred at the request of either Party to the President of MYRIAD and the Head of Pharmaceutical Research and Development of MONSANTO, or designee thereof, for attempted resolution by good faith negotiations, which negotiations shall continue for a period not to exceed ninety (90) days. In the event that such dispute is not resolved in such manner within such period or any mutually agreed extension thereof, either Party may terminate the Research Program upon written notice to the other Party.

(g) Expenses. MYRIAD and MONSANTO shall each bear all expenses of their respective Steering Committee members related to their participation on the Steering Committee and attendance at Steering Committee meetings.

2.3 Access to ProNet; Pathway Options/Interactive Protein and Gene License.
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(a) ProNet Technology. Promptly upon its receipt of the initial

Baits specified in the initial Annual Research Plan, and thereafter, MYRIAD shall use commercially reasonable efforts using the ProNet Technology to identify all Genes and Interactive Proteins that Interact with such Baits and any additional Baits approved by the Steering Committee or identified by MONSANTO from time to time; provided, however, that

MYRIAD shall not be obligated to disclose the name and/or sequence of any Previously Licensed Protein to the extent that MYRIAD is prohibited from doing so under any binding agreement with the licensee of such Previously Licensed Protein. In addition, as soon as practicable after the date hereof, and thereafter, MYRIAD shall provide and disclose to MONSANTO all information (public and confidential) within its knowledge as MYRIAD shall determine, in good faith, is reasonably related to such Baits, Genes and Interactive Proteins, and subsequent Interactions therewith.

(b) Exclusive Option to Interactive Proteins and Genes. MONSANTO shall have the exclusive option (an "Option") at any time and from time to time during the eighteen-month period following the expiration of the Research Term (the "Option Period") to obtain an Exclusive License with respect to any Interactive Protein(s) or Gene(s) included in any MONSANTO Database (as defined in Section 2.6(a) below) (other than Previously Licensed Proteins) by (i) delivering written notice to MYRIAD prior to the expiration of the Option Period specifying the Interactive Proteins and Genes which MONSANTO is proposing to be subject to an Exclusive License and (ii) paying [ ] per each Interactive Protein or Gene covered by each such Exclusive License (up to a maximum of [ ] for up to 10 different Interactive Proteins and Genes contained in any MONSANTO Databases). MYRIAD shall retain all rights to all Interactive Proteins and related Genes with respect to which MONSANTO has not exercised an Option for an Exclusive License prior to the expiration of the Option Period. Notwithstanding the foregoing, after the expiration of the Option Period, MONSANTO will have the right at any time and from time to time to seek an Exclusive License from MYRIAD with respect to any Interactive Protein or related Gene which was previously the subject of an Option, provided that MYRIAD, after the expiration of such Option Period, has not licensed the rights to such Interactive Protein or related Gene to a Third Party or has not commenced an internal program relating to such Interactive Protein or related Gene as documented by written records. Notwithstanding the foregoing, in no event shall any license fee be required with respect to any Interactive Protein, Gene or other specific composition of matter that (x) as of the date hereof, is already known as a product candidate to Monsanto or its Affiliates, as shown by written, electronic or other records, or their current and future licensors, or to any third party that acquires, is acquired by or merges with Monsanto or any successor entity (with the right to use), other than by receipt from MYRIAD, or that after the date hereof ceases to be proprietary and comes within the public domain or knowledge of MONSANTO or (y) at the time of disclosure to MONSANTO, or at the time of use by MONSANTO, as applicable, is part of the public domain or independently known to MONSANTO, provided, however, that any such Interactive Protein, Gene or other specific composition of matter or use thereof shall be a "Licensed Product" for purposes of payments required to be made by MONSANTO under Article IV if it or its use is covered by a Valid Claim of a Research Program Patent.

(d) No Limit to Number of Option Rights. During the Option Period, MONSANTO may exercise an unlimited number of Options.

(e) Exclusivity of Pathways. During the Research Term and the Option Period, MYRIAD shall not assign, license or grant any option or other rights in or to, or otherwise make available, to any Third Party any of its rights in any Interactive Proteins or Genes that are the subject of the Research Program and/or are contained in a MONSANTO Database (other than Previously Licensed Proteins). MONSANTO shall have no rights with respect to any Previously Licensed Proteins until the expiration or termination of such Third Party's rights with respect thereto.

2.4 Research Term. The "Research Term" shall commence upon the Effective Date and terminate on the Expiration Date (as defined below), unless earlier terminated pursuant to Article VII below or Section 2.2(f) above. The initial expiration date (the "Expiration Date") of the Research Term shall be on the 15-month anniversary of the Effective Date; provided that at any time prior to such initial 15-month anniversary, and/or any extension thereof, MONSANTO may extend the Expiration Date for a period of twelve (12) months by (i) delivering written notice thereof to MYRIAD and (ii) paying [ ] to MYRIAD; provided that MYRIAD shall have no obligation to conduct additional research pursuant to the Research Program after expending the first [ ] of the second [ ] extension payment or thereafter during any other extension.

2.5 Reports, Data and Information. MYRIAD shall keep MONSANTO fully informed about the status of the Research Program, shall provide to MONSANTO upon its request and at MYRIAD's sole cost and expense from time to time during the Research Term and the Option Period a copy of all records and data pertaining to the Research Program and the MONSANTO Databases, and shall provide (i) at least monthly formal updates regarding the MONSANTO Databases (in form and substance reasonably acceptable to MONSANTO) and (ii) at least quarterly summary reports regarding the Research Program (in form and substance reasonably acceptable to MONSANTO). In addition, during the Research Term and the Option Period, MYRIAD will make available to MONSANTO upon its request and at MYRIAD's sole cost and expense any and all software within MYRIAD's

possession or control and which MYRIAD has the right to provide which is required to use, review and manipulate the data generated in connection with the Research Program; provided that to the extent MYRIAD does not have the right to provide such software pursuant to the terms thereof, MYRIAD shall use its reasonable efforts to provide MONSANTO with a comparable alternative. Upon the expiration of the Option Period, MONSANTO shall permit MYRIAD to have access to its facilities to enable MYRIAD to remove any and all such software provided to MONSANTO; provided that upon such expiration, MYRIAD shall deliver a complete copy of all such data and information in a form readable and usable by MONSANTO. In addition, from time to time upon request of MONSANTO during the Research Term and the Option Period, and upon the expiration of the Option Period, MYRIAD shall return to MONSANTO or destroy upon MONSANTO's request any and all MONSANTO Information.

2.6 MONSANTO Databases; Confidential Libraries. In addition to the provisions of Article V below:

(a) MONSANTO Databases. As soon as practicable after the date hereof, and thereafter, MYRIAD shall establish and maintain separate, confidential databases (each, a "MONSANTO Database") for the sole benefit of MONSANTO to hold all data and results related to the Research Program. All such data and results shall be kept confidential until expiration of the Research Term; provided, however, that, MYRIAD shall keep confidential all such data and results relating to any Licensed Products and/or Genes and Interactive Proteins subject to an Exclusive License hereunder for so long as the Exclusive License relating thereto remains in effect; provided further that, notwithstanding the foregoing, upon the expiration of the foregoing confidentiality periods, MYRIAD shall be entitled to update the ProNet database with the results of the Research Program (other than with respect to MONSANTO Information which shall in no event be disclosed or included in the ProNet or any other database). Without limiting the foregoing, upon termination of this Agreement, MYRIAD shall return or destroy (at MONSANTO's election) all copies and embodiments of such MONSANTO Information. Any and all genes and proteins (whether or not originally part of the ProNet) that are within the Pathways selected for analysis as part of the Research Program, other than Previously Licensed Proteins, shall be deemed a part of the MONSANTO Databases for purposes of this Agreement.

(b) Confidential Libraries. As soon as practicable after the date hereof, and thereafter, MYRIAD shall establish and maintain those libraries contemplated by the Annual Research Plan. Each such library developed under the Research Program shall be kept separate and confidential during the Research Term and the Option Period. Upon expiration of the Option Period, both MONSANTO and MYRIAD shall have the right to use all such libraries, including all copies, embodiments and derivations thereof; provided that MYRIAD shall not have the right to use any such library developed under the Research Program that relates to an Exclusive License then in existence.

2.7 Dedicated Resources. MYRIAD shall use reasonable efforts to dedicate to the Research Program the personnel and resources necessary to meet its obligations contained in the Annual Research Plan, but in no event shall MYRIAD be obligated to dedicate resources that would exceed the costs of the technology access fees as set forth in Section 4.1 or the extension fees as set forth (and limited) in Section 2.4.

ARTICLE III
LICENSES

3.1 License to MONSANTO to Conduct Research. MYRIAD hereby grants to MONSANTO a paid-up, non-exclusive license, with a right to sublicense as described in Section 3.5, in the Field and in the Territory during the Research Term and the Option Period to make, have made and use the Genes, Interactive Proteins and other items contained in the Pathways analyzed pursuant to the Research Program, and derivations thereof, in connection with the exercise of its rights and the performance of its obligations hereunder (including under the Research Program).

3.2 License to MYRIAD to Conduct Research. MONSANTO grants to MYRIAD a paid- up, worldwide, non-exclusive license, with a right to sublicense as described in Section 3.5, during the Research Term and any extension thereof, to make, have made and use MONSANTO's proprietary Baits and any MONSANTO Information solely to conduct the Research Program.

3.3 License to MONSANTO to Develop and Commercialize Licensed Products. Upon the exercise by MONSANTO of an Option with respect to any specified Interactive Protein(s) or Gene(s), and the payment by MONSANTO of the Exclusive License fee(s) provided in Section 2.3(b), MYRIAD shall be deemed to

have granted to MONSANTO an exclusive, worldwide, royalty-bearing license (an "Exclusive License"), with a right to

sublicense as described in Section 3.5, to (i) make, have made and use such Interactive Protein and Gene to develop Licensed Products in the Territory and (ii) make, have made, use, sell, offer for sale and import Licensed Products in the Territory which are derived from the such Interactive Protein(s) or Gene(s), subject to the terms of this Agreement, including without limitation the royalty and milestone payments provided herein.

3.4 Restrictive Covenant. Each Party covenants and agrees not to use Technology owned or Controlled by the other Party other than with respect to activities expressly contemplated hereby or as expressly permitted hereunder.

3.5 Sublicensing. The licenses set forth in Sections 3.1 through 3.3 above shall include the right to grant sublicenses to Affiliates and any other Third Party upon the same terms and conditions contained in this Agreement.

3.6 Third Party Technology. The licenses granted under Sections 3.1 through 3.3 include sublicenses of Third Party technology to the extent that such licensed rights can be so sublicensed and are necessary for the manufacture, use or sale of the relevant Licensed Product. The licenses granted under Sections 3.1 through 3.3, to the extent they include sublicenses of Third Party technology, shall be subject to the terms and conditions of the license agreement pursuant to which the sublicense is granted. To the best of MYRIAD's knowledge, except as otherwise provided in Section 8.1, as of the date hereof, the Research Program does not use or require any licensed Third Party Technology. On and after the Effective Date and until expiration of the Research Term and the Option Period, MYRIAD (i) shall promptly notify MONSANTO if MYRIAD intends to license from any Third Party any Technology for use in the Research Program and (ii) shall not use any such Technology in the Research Program without the prior written consent of MONSANTO (which shall not be unreasonably withheld).

3.7 Development and Commercialization. MONSANTO shall use commercially reasonable efforts to develop and commercialize Licensed Products on a commercially reasonable basis in such countries in the Territory where in MONSANTO's sole and absolute discretion it is commercially, strategically and otherwise viable and desirable to do so; provided, however, that MONSANTO shall have no obligation to develop and/or commercialize Licensed Products in any country in which, in MONSANTO's sole and absolute discretion, such development and/or commercialization is not commercially, strategically or otherwise viable or desirable.

3.8 Discontinuation of Commercialization. In the event that MONSANTO discontinues commercialization (as determined by MONSANTO in good faith) of a Licensed Product (a "Discontinued Product"), MONSANTO shall, upon written notice to MYRIAD within thirty (30) days thereafter, elect to either (i) return the Exclusive License with respect to such Licensed Product as described below, in which case the Exclusive License to such Licensed Product shall immediately terminate, provided, however, that MYRIAD shall be obligated to make the payments set forth in this Article III, as applicable, to MONSANTO in the same manner as MONSANTO would have paid to MYRIAD, or (ii) shift the milestone payments and royalty obligation of such Discontinued Product to a surrogate product in the same pathway as such Discontinued Product and having equivalent or greater projected revenues (a "Surrogate Product") for the remainder of milestone payments and royalty-bearing term of the Exclusive License with respect to such Discontinued Product. MONSANTO shall have the right to shift the milestone payments and royalty obligation of a Discontinued Product to only a single Surrogate Product, as provided above, after which MONSANTO shall not have the right to shift any milestone payments and royalty obligation of such Surrogate Product without the prior written approval of MYRIAD (which shall not be unreasonably withheld). In the event MONSANTO shifts the milestone payments and royalty base to a Surrogate Product, all provisions of this Agreement relating to record keeping, calculation and payment of milestone payments and royalties and like matters shall apply to the Surrogate Product, but the provisions of this paragraph shall not apply to the Surrogate Product unless the Surrogate Product is also subject to an Exclusive License from MYRIAD. From time to time thereafter for a period of seven (7) years, to the extent MYRIAD has not pursued the commercialization of any Discontinued Product (as determined by MONSANTO in good faith), MONSANTO shall be entitled to re-initiate the commercialization of any such Discontinued Product by delivering written notice to MYRIAD and if MONSANTO so re-initiates such commercialization, MONSANTO shall be thereafter liable for all milestone and royalty obligations set forth herein with respect to such Discontinued Product.

3.9 No Other Rights. No other rights of either Party are licensed hereunder except as expressly provided herein.

ARTICLE IV
TECHNOLOGY ACCESS FEE; MILESTONE PAYMENTS; ROYALTIES

4.1 Technology Access Fee. In consideration of the expertise, technology, and investment related to the Field which will be contributed to the Research Program by MYRIAD, MONSANTO shall pay MYRIAD a non-refundable technology access fee in the aggregate amount of [ ]. It is hereby agreed that all payments made by MONSANTO under this Section 4.1 and Section 2.4 above (up to a maximum of [ ]) shall be credited towards any fees otherwise payable by MONSANTO to MYRIAD in connection with any agreement executed by MONSANTO during the Research Term which provides MONSANTO with general access to ProNet.

4.2 Milestone Payments. In consideration of the rights granted MONSANTO under this Agreement, MONSANTO shall pay MYRIAD the following amounts within thirty (30) days after each occurrence of the following milestones:

Cash Payment (in millions)	Milestone
[	]

Notwithstanding anything to the contrary in the foregoing, applicable milestone events and the payments related thereto shall be determined in good faith by the Parties to the extent relating to applications outside of the Field. Notwithstanding anything to the contrary contained in this Agreement, for purposes of this Section 4.2 and Section 4.3(c) below, all Licensed Products derived from a single Gene or Interactive Protein and within the same Pathway ("Related Licensed Products") shall be deemed to be only one (1) "Licensed Product" and no milestones shall be required to be paid on any of such Related Licensed Products other than the first Licensed Product derived from such Gene(s) or Interactive Protein(s). Royalties shall apply to all such Licensed Products, including Related Licensed Products, subject to the caps set forth in Section 4.3(c) below.

4.3 Royalties. MONSANTO shall pay to MYRIAD a royalty on Net Sales of Licensed Products by MONSANTO, its Affiliates and sublicensees as follows:

(a) For Patented Licensed Products that are Non-Small Molecule Drugs, MONSANTO shall pay MYRIAD a royalty on Net Sales of Patented Licensed Products at the following rates:

[ ]

(b) For Patented Licensed Products that are Small Molecule Drugs, MONSANTO shall pay to MYRIAD a royalty equal to [ ] of such Patented Licensed Products.

(c) Notwithstanding anything to the contrary contained in Sections 4.3(a) and (b) above, under no circumstances shall MONSANTO be obligated to make royalty payments to MYRIAD in excess of [ ] in the aggregate for any Licensed Product.

(d) Except where expressly provided otherwise in this Agreement, all royalties to MYRIAD shall be paid, on a country-by-country basis, from the date of the First Commercial Sale of each Patented Licensed Product in a particular country until the later of (i) fifteen (15) years from the First Commercial Sale in such country and (ii) the last to expire in any such country of any valid and enforceable MYRIAD Patent or Research Program Patent which covers the manufacture, use or sale of such Patented Licensed Product in such country.

(e) Upon expiration of the royalty term for a Patented Licensed Product in a country as described above, MONSANTO shall thereafter have an irrevocable, exclusive, paid-up (royalty-free) license to make, have made, use, sell, offer for sale, have sold and import that Patented Licensed Product in that country.

4.4 Sales by Sublicensees. In the event that MONSANTO, subject to the provisions of this Agreement, grants licenses or sublicenses to others to make or sell patented Licensed Products, such licenses or sublicenses shall include an obligation for the licensee or the sublicensee to account for and report its Net Sales of such patented Licensed Products on the same basis as if such sales

were Net Sales by MONSANTO, and such sublicensee shall pay royalties to MYRIAD on the Net Sales of such sublicensees, as if they were Net Sales of

MONSANTO (it being understood that MONSANTO shall remain responsible with respect to any such royalties not paid by such sublicensee).

4.5 Royalty Reports and Payments. MONSANTO shall deliver to MYRIAD a report summarizing the Net Sales of any Patented Licensed Products during the relevant quarter on a country-by-country basis within forty-five (45) days following the end of each calendar quarter and sixty (60) days following the end of each calendar year following the First Commercial Sale of a Licensed Product. Royalty payments under this Agreement shall be made to MYRIAD or its designee quarterly within thirty (30) days following the date for the report in the first sentence of this paragraph.

4.6 Payments. Any payments due from MONSANTO to MYRIAD under this Agreement shall be in U.S. dollars and made by wire transfer to the following account:

U.S. Bank of Utah
107 South Main
Salt Lake City, Utah 84111
ABA# 124 302 150
For the Account of: Myriad Genetics, Inc.
Account # 1531003611622

4.7 Maintenance of Records; Audits.

(a) MONSANTO shall keep records in sufficient detail to enable the royalties payable hereunder to be determined. Upon the written request of MYRIAD and not more than once in each calendar year, MONSANTO shall permit an independent certified public accounting firm of nationally recognized standing selected by MYRIAD and reasonably acceptable to MONSANTO, at MYRIAD's sole cost and expense, to have access during normal business hours at a time, date and place reasonably acceptable to MONSANTO to such of the records of MONSANTO as may be reasonably necessary to verify the accuracy of the royalty reports hereunder for any year ending not more than twenty-four (24) months prior to the date of such request and no later than forty-five (45) days after written request is made. The accounting firm shall disclose to MYRIAD only whether the royalty reports are correct or incorrect and the specific details concerning any discrepancies and shall simultaneously provide a copy of its report to MONSANTO. No other information shall be provided to MYRIAD.

(b) If such accounting firm concludes that additional royalties were owed or paid during such period, MONSANTO shall pay to MYRIAD any such additional royalties due, or MYRIAD shall pay or provide a credit to MONSANTO (at MONSANTO's election) of any additional royalties paid, together with interest accrued from the date such royalty was due or paid, as applicable, at an annual rate (based on a 360-day year) equal to the lesser of (i) the prime interest rate for such year to date (as announced by Citibank, N.A.) plus one percent and (ii) the highest rate permitted by applicable law within thirty (30) days after the date of such accounting firm's written report (the "Applicable Rate"); provided that no interest shall be so paid unless the amount of the additional royalties owed or paid, as applicable, varies by five percent (5%) or more from the actual amount determined by the accounting firm. The fees charged by such accounting firm shall be paid by MYRIAD, except MONSANTO shall pay such fees in the event that the additional royalties owed by MONSANTO, together with the royalties paid, for the period in question exceed such royalties paid by five percent (5%) or more.

(c) MONSANTO shall include in each sublicense granted by it pursuant to this Agreement a provision requiring the sublicensee to make reports to MONSANTO, to keep and maintain records of sales made pursuant to such sublicense and to grant access to such records by MYRIAD's independent accountant to the same extent required of MONSANTO under this Agreement. Upon the expiration of twenty-four (24) months following the end of any year, the calculation of royalties payable with respect to such year shall be binding and conclusive upon MYRIAD, and MONSANTO and its sublicensees shall be released from any liability or accountability with respect to royalties for such year.

(d) MYRIAD shall treat all financial information subject to review under this Section 4.7 or under any sublicense agreement in accordance with the confidentiality provisions of this Agreement, and shall cause its accounting firm to enter into an acceptable confidentiality agreement with MONSANTO obligating it to retain all such financial information in confidence pursuant to such confidentiality agreement.

4.8 Income Tax Withholding. If at any time, any jurisdiction within the Territory requires the withholding of income taxes or other taxes imposed upon payments set forth in this Article IV, MONSANTO shall

make such withholding payments as required and subtract such withholding payments from the payments set forth in this Article IV or, if applicable, MYRIAD will promptly reimburse MONSANTO or its designee(s) for the amount of such withholding payments. MONSANTO shall provide MYRIAD with documentation of such withholding payments in a manner that is reasonably satisfactory for purposes of such taxing authority. Any withholdings paid when due hereunder shall be for the account of MYRIAD and shall not be included in the calculation of Net Sales.

4.9 Foreign Exchange. For the purpose of computing Net Sales for Licensed Products sold in a currency other than United States Dollars, such currency shall be converted into United States Dollars in accordance with the applicable foreign exchange rate published in The Wall Street Journal for the last business day of the calendar quarter for which the relevant royalty payment is to be made.

4.10 No Overlapping Payments. Notwithstanding any other provision of this Agreement, in no event shall any royalty or other payment provided for under any Section of this Agreement be paid with respect to any Licensed Product to the extent a royalty or other such payment has been paid pursuant to any other Section of this Agreement with respect to such sale.

ARTICLE V
TREATMENT OF CONFIDENTIAL INFORMATION

5.1 Confidentiality.

(a) MYRIAD and MONSANTO each recognize that the other's Confidential Information constitutes highly valuable and proprietary confidential information. Subject to the terms and conditions of Article IV with respect to licenses and subject to the publication provisions in Section 5.2, MYRIAD and MONSANTO each agree that during the term of this Agreement and for seven (7) years thereafter, it will keep confidential, and will cause its Affiliates to keep confidential, all Confidential Information of the other Party that is disclosed to it, or to any of its Affiliates, pursuant to or in connection with this Agreement; provided, however, that, notwithstanding the foregoing, MYRIAD shall keep confidential all Confidential Information relating to any Licensed Products and/or licensed Genes and Interactive Proteins for so long as the Exclusive License relating thereto remains in effect. Neither MYRIAD nor MONSANTO nor any of their respective Affiliates shall use Confidential Information of the other Party for any purpose whatsoever except as expressly permitted in this Agreement.

(b) MYRIAD and MONSANTO each agree that any disclosure of the other's Confidential Information to any officer, employee, consultant or agent of the other Party or of any of its Affiliates shall be made only if and to the extent necessary to carry out its responsibilities under this Agreement and shall be limited to the maximum extent possible consistent with such responsibilities. MYRIAD and MONSANTO each agree not to disclose the other's Confidential Information to any Third Parties under any circumstance without written permission from the other Party, except as required in any patent application or patent prosecution, prosecuting or defending litigation, conducting pre-clinical or clinical trials, or as otherwise required by law, and except as otherwise expressly permitted by this Agreement. Each Party shall take such action, and shall cause its Affiliates to take such action to preserve the confidentiality of each other's Confidential Information as it would customarily take to preserve the confidentiality of its own Confidential Information. Except as otherwise expressly provided herein, each Party, upon the other's request, will return or destroy (at such other Party's election) all the Confidential Information disclosed to it by the other Party pursuant to this Agreement, including all copies and extracts of documents, within sixty (60) days of the request upon the termination of this Agreement; provided, that a Party may retain Confidential Information of the other Party relating to any license or right to use Technology which survives such termination and one copy of all other Confidential Information may be retained in inactive archives solely for the purpose of establishing the contents thereof. Nothing in this Article V shall restrict any Party from using for any purpose any Confidential Information independently developed by it during the course of the collaboration hereunder or, with the other Party's prior written consent (which shall not be unreasonably withheld), from using Confidential Information that is specifically derived from pre-clinical or clinical trials to carry out marketing, sales or professional services support functions as is customary in the pharmaceutical industry.

(c) MYRIAD and MONSANTO each warrant that all of its employees, and any consultants to such Party participating in the Research Program and/or the development and commercialization of the Licensed Products who shall have access to Confidential Information of the other Party shall be bound by agreements to maintain such information in confidence and not to use such information except as allowed herein.

5.2 Publication. Subject to the provisions of Sections 2.6 and 5.1 above,

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results obtained in the

course of the Research Program may be submitted for publication and/or published by either Party hereto or its investigators, consultants or contractors only following full protection of all intellectual property rights in the results to the satisfaction of the Steering Committee; provided that Steering Committee approval shall not be required to the extent such results would not be deemed Confidential Information; and provided further that the foregoing restrictions shall not apply to results that have been previously submitted for publication or published in accordance with the terms of this Agreement. Each Party hereto shall be responsible for the compliance of its investigators, consultants and contractors with the provisions of this Section 5.2. After full protection of such intellectual property rights, the Steering Committee shall determine the appropriate timing and content of any publication concerning Research Program Technology.

5.3 Publication Review. Subject to the further provisions of this Section 5.3, no Party shall originate any written publicity, news release, or other announcement relating to this Agreement or to performance hereunder or thereunder or the existence of an arrangement between the Parties (collectively, "Written Disclosure"), without the prior prompt review and written approval of the other, which approval shall not be unreasonably withheld or delayed. Notwithstanding the foregoing provisions of this Section 5.3, any Party may make any public Written Disclosure it believes in good faith, based upon the opinion of outside counsel (which counsel shall be reasonably acceptable to the other Party), is required by applicable law or any listing or trading agreement concerning its publicly traded securities, provided that prior to making such Written Disclosure, the disclosing Party shall provide the other Party with a copy of the materials proposed to be disclosed and provide the receiving Party with an opportunity to promptly review the proposed Written Disclosure. The disclosing Party shall make any changes reasonably requested by the receiving Party. To the extent that the receiving Party reasonably requests that any information in the materials proposed to be disclosed be deleted, changed or otherwise modified, the disclosing Party shall make any such deletions, changes or modifications and, in the event of a request to delete information required to be filed, request confidential treatment of such information pursuant to Rule 406 of the Securities Act of 1933 or Rule 24b-2 of the Securities Exchange Act of 1934, as applicable (or any other applicable regulation relating to the confidential treatment of information) so that there be omitted from the materials that are publicly filed any information that the receiving Party reasonably requests to be deleted. The terms of this Agreement may also be disclosed to (i) government agencies where required by law, or (ii) Third Parties with the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed, so long as such disclosure is made under an agreement of confidentiality. Once a "Disclosure" is approved, it can be reused by either Party.

5.4 Termination of Prior Agreement. This Agreement supersedes the Confidentiality Agreement between G. D. Searle, an Affiliate of MONSANTO, and MYRIAD dated as of February 10, 1998. All information exchanged between the Parties under that Agreement shall be deemed Confidential Information and shall be subject to the terms of this Article V.

5.5 Use of Names. Neither Party shall use the name of the other Party in relation to this transaction in any public announcement, press release or other public document without the written consent of such other Party, which consent shall not be unreasonably withheld or delayed; provided, however, that either Party may use the name of the other Party in any document filed with any regulatory agency or authority, including the FDA and the Securities and Exchange Commission. In addition to the foregoing, MYRIAD agrees not to use the name "MONSANTO", "SEARLE" or the name of any of their respective Affiliates in relation to this transaction in any press release, public announcement or other public document without the approval of MONSANTO, which approval shall not be unreasonably withheld or delayed.

ARTICLE VI
OWNERSHIP OF INVENTIONS; PATENT RIGHTS

6.1 Ownership.

(a) Research Program Technology. MYRIAD shall have the sole and exclusive ownership of all right, title and interest in and to (i) all Genes and Interactive Proteins Discovered and/or Characterized in connection with the Research Program, including but not limited to any fragments or mutations of such Genes, the DNA and RNA sequences corresponding, complementary or antisense to such Genes, any expressions of such Genes, the proteins resulting from any such expression and any antibodies derived from such genes and (ii) any human Diagnostic Products but only to the extent commercialized for sale to end users (collectively, the "Research Program Technology"). MONSANTO hereby (x) disclaims any right, title and interest in or to the foregoing, subject only to the Exclusive License provided in this Agreement and (y) agrees from time to time to execute all necessary and proper documentation and take such actions as

shall be appropriate to effect MYRIAD's ownership interest in such Research Program Technology.

(b) MONSANTO Technology. MONSANTO shall have the sole and exclusive right, title and interest in and to any Licensed Products and any Technology developed by MONSANTO independent of the Research Program and without the use of Research Program Technology ("MONSANTO Technology"). MYRIAD hereby disclaims any right, title and interest in or to the foregoing.

6.2 Filings, Prosecution and Maintenance of Patent Rights.

(a) At its sole expense, MYRIAD shall be responsible for the filing, prosecution and maintenance of all patent applications relating to any invention deemed patentable included in Research Program Technology; provided, however, that with respect to those Genes and Interactive Proteins which are exclusively licensed by MONSANTO hereunder and all Licensed Products (i) MYRIAD shall consult and cooperate fully with MONSANTO with respect to the jurisdictions in which patent applications will be filed (as determined by the Steering Committee) and (ii) MONSANTO shall bear the cost of filing, prosecution and maintenance of all patent applications outside the United States related to such licensed Genes, Interactive Proteins and Licensed Products.

(b) At its sole expense, MONSANTO shall be responsible, after due consultation with MYRIAD, for the filing, prosecution and maintenance of all patent applications with respect to any other Technology arising out of the Research Program.

6.3 Third Party Patent Rights. Except as expressly provided in Section 8.1, neither Party makes any warranty with respect to the validity, perfection or dominance of any Patent or other proprietary right or with respect to the absence of rights in Third Parties which may be infringed by the manufacture or sale of any Licensed Product. Each Party agrees to bring to the attention of the other Party any Patent or Patent application it discovers, or has discovered, and which relates to the rights of either Party pursuant to this Agreement.

6.4 Enforcement Rights.

(a) Notification of Infringement. If either Party learns of any infringement or threatened infringement by a Third Party of any Research Program Patent or MYRIAD Patent, the other Party shall promptly give written notice to such Party and shall use its reasonable efforts to provide such Party with all available evidence of such infringement to the extent permitted by applicable law and contractual obligations.

(b) Enforcement.

(i) The Parties shall jointly determine the appropriate course of action to pursue with respect to infringement of any MYRIAD Patents or Research Program Patents covering the development, manufacture, use, importation, sale or offer for sale of Licensed Products exclusively licensed to MONSANTO hereunder. To the extent not recovered under Section 6.4(c), the costs of such patent enforcement shall be paid by MONSANTO (provided that MONSANTO shall be entitled to offset one-half of such costs against any future royalty payments to be made to MYRIAD hereunder). MYRIAD shall have the right to join as a party plaintiff in any suit prosecuted by MONSANTO hereunder at MYRIAD's expense and shall give MONSANTO reasonable assistance.

(ii) Each Party shall execute all necessary and proper documents and take such actions as shall be appropriate to allow the other Party to institute and prosecute infringement actions in accordance with this Section at the expense of the Party instituting any such action.

(c) Recoveries. Any recoveries with respect to patent infringement actions undertaken pursuant to Section 6.4(b)(i) shall be divided as follows:

(i) First, MONSANTO shall recover its expenses;

(ii) Second, MYRIAD shall recover its expenses, if any;

(iii) Third, MYRIAD shall receive a percentage royalty as specified in Section 4.3 of this Agreement on any recovery received if such infringement is related to a Licensed Product; and

(iv) Finally, MONSANTO shall retain any remaining proceeds.

(d) Settlement with a Third Party. The Party that is pursuing any action hereunder shall have the exclusive right to control settlement of a such action; provided, however, that no settlement shall be entered into without the written consent of the other Party if such settlement would materially and adversely affect the interests of the other Party hereunder.

6.5 Defense and Settlement of Third Party Claims.

(a) Defense. If a Third Party asserts that a patent, trademark or other intangible right owned by it is infringed by the manufacture, use or sale of any Licensed Product, MONSANTO will be solely responsible for defending against any such assertions at its cost and expense; provided that if any such Third Party claim relates to any actions taken by or on behalf of MYRIAD with respect to MYRIAD Technology or MYRIAD Patents, or a defect in or infringement by such MYRIAD Technology or MYRIAD Patent, MYRIAD shall be solely responsible for defending against such claims at its sole cost and expense. The non-defending Party shall have the right to participate in the defense of any such Third Party action or expenses, at its own expense.

(b) Damages. Any and all expenses, damages or payments, including any royalties, owed to a Third Party with respect to a claim defended under this Section 6.5 shall be the responsibility of MONSANTO; provided that if any such Third Party claims relates to actions taken by or on behalf of MYRIAD with respect to MYRIAD Technology or MYRIAD Patents, or a defect in or infringement by such MYRIAD Technology or MYRIAD Patent, MYRIAD shall be solely responsible for all such expenses, damages and payments.

(c) Settlement with a Third Party. MONSANTO shall have the right to control settlement of a Third Party claim; provided, however, no settlement may be entered into without the written consent of MYRIAD if such settlement would materially and adversely affect MYRIAD's interests pursuant to this Agreement, which consent shall not be unreasonably withheld or delayed.

ARTICLE VII
TERM AND TERMINATION

7.1 Term. This Agreement shall commence as of the Effective Date and continue in effect until the later of (a) the end of the Research Term and the Option Period and (b) the date on which MONSANTO is not obligated to pay a royalty to MYRIAD, as the case may be.

7.2 Termination for Cause. This Agreement may be terminated by a Party at any time during the term of this Agreement as follows:

(a) with respect to obligations other than payment obligations, if the other Party is in breach of its material obligations hereunder and has not cured or taken steps to substantially cure such breach within ninety (90) days after notice of the breach with reasonable detail of the particulars of the alleged breach and, with respect to payment obligations due and owing, if MONSANTO has not cured or taken steps to substantially cure such breach (such as the mailing of the check therefor) within thirty (30) days after notice of the particulars of the alleged breach;

(b) in the event substantially all of MYRIAD's assets are sold, or greater than 50% of MYRIAD's equity securities are transferred (whether by stock sale, merger, consolidation, reorganization, recapitalization or otherwise), to a third party, MONSANTO shall have the right to immediately terminate this Agreement with delivery to MYRIAD of written notice; or

(c) upon the filing or institution of bankruptcy, liquidation or receivership proceedings, or upon an assignment of a substantial portion of the assets for the benefit of creditors by the other Party, or in the event a receiver or custodian is appointed for such Party's business or of a substantial portion of such party's business is subject to attachment or similar process; provided, however, in the case of any involuntary bankruptcy proceeding such right to terminate shall only become effective if the Party consents to the involuntary bankruptcy or such proceeding is not dismissed within sixty (60) days after the filing thereof.

7.3 Effect of Termination on License.

(a) In the event MYRIAD terminates this Agreement because of material breach by MONSANTO (whether before or after the Research Term), the licenses for commercial purposes granted to MONSANTO hereunder shall terminate (and, in effect, automatically revert back to MYRIAD).

(b) In the event MONSANTO terminates this Agreement because of material breach by

MYRIAD (whether before or after the Research Term), MONSANTO shall have the option to either (i) continue any Exclusive License then in place in which case the milestone and royalty obligations provided in this Agreement shall continue in full force and effect, but at a level reduced by 50% of the applicable amount; or (ii) convert any such Exclusive License to a non-exclusive, royalty-free license in which case MONSANTO shall have an irrevocable paid-up, royalty-free license for research and development purposes and for commercial purposes.

(c) In the event MONSANTO terminates this Agreement under Section 7.2(b), (i) any Exclusive Licenses then in existence shall continue in full force and effect subject to the existing milestone and royalty obligations provided in this Agreement and (ii) notwithstanding anything in this Agreement to the contrary, MONSANTO shall have the right to require MYRIAD (or its successor) to immediately return to MONSANTO or destroy, at MONSANTO's election, all MONSANTO Information and all other information, records, results, libraries and other materials (written, electronic or otherwise) provided to MYRIAD by MONSANTO in connection with the Research Program or otherwise developed under or in connection with the Research Program.

(d) In the event MONSANTO terminates this Agreement under Section 7.2(c) or this Agreement is otherwise terminated under Section 7.2(c), all rights and licenses granted under or pursuant to this Agreement by MYRIAD to MONSANTO are, and shall otherwise be deemed to be, for purposes of Section 365(n) of the Bankruptcy Code, licenses of rights to "intellectual property" as defined under Section 101(52) of the Bankruptcy Code. The parties agree that MONSANTO, as a licensee of such rights under this Agreement, shall retain and may fully exercise all of its rights and elections under the Bankruptcy Code. The parties further agree that, in the event of the commencement of a bankruptcy proceeding by or against MYRIAD under the Bankruptcy Code, MONSANTO shall be entitled to a complete duplicate of (or complete access to, as appropriate) any such intellectual property and all embodiments of such intellectual property upon written request therefor by MONSANTO. Such intellectual property and all embodiments thereof shall be promptly delivered to MONSANTO (i) upon any such commencement of a bankruptcy proceeding upon written request therefore by MONSANTO, unless MYRIAD elects to continue to perform all of its obligations under this Agreement or (ii) if not delivered under (i) above, upon the rejection of this Agreement by or on behalf of MYRIAD upon written request therefor by MONSANTO. MYRIAD shall not interfere with the rights of MONSANTO as provided in this Agreement, or any agreement supplementary hereto, to such intellectual property (including all such embodiments thereof), including any right of MONSANTO to obtain such intellectual property (or such embodiment) from any other entity.

7.4 Remedies. If either Party shall fail to perform or observe or otherwise breach in any material respect any of its material obligations under this Agreement, in addition to any right to terminate all or any portion of this Agreement, the non-defaulting Party may elect to obtain other relief and remedies available under law.

7.5 Survival. Each Party shall remain liable for all obligations (including liabilities for breach of this Agreement) accruing prior to any termination of this Agreement; provided that neither Party shall have any obligation to make any payment to the other to the extent that it has not accrued or is not due prior to the effective date of such termination. In addition, the rights and obligations of the Parties pursuant to Article V, X and XI and Sections 2.5, 2.6, 6.1, 7.3, 7.4 and 7.5 hereof shall survive any termination of this Agreement.

ARTICLE VIII
REPRESENTATIONS AND WARRANTIES

8.1 Representations and Warranties.

(a) Each Party represents and warrants to the other Party that:

(i) Organization. It is a corporation duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation.

(ii) Authority. It has full corporate power and authority to execute and deliver this Agreement and any other agreements and instruments to be executed and delivered by such Party pursuant hereto and to consummate the transactions contemplated hereby and thereby. All corporate acts and other proceedings required to be taken to authorize such execution, delivery and consummation have been duly and properly taken and obtained.

(iii) Enforceability. This Agreement has been duly executed and delivered by such Party and constitutes, and such other agreements and instruments when duly executed and delivered by

such Party will constitute, legal, valid and binding obligations of such Party enforceable against such Party in accordance with their respective terms, subject to bankruptcy, liquidation and equitable defenses.

(iv) Approvals, Consents, Etc. No approval, authorization, consent or other order or action of or filing with any court, administrative agency or other governmental authority is required for the execution and delivery by such Party of this Agreement and the execution and delivery by such Party of such other agreements and instruments or the consummation by such Party of the transactions contemplated hereby or thereby.

(v) No Conflicts. None of the execution, delivery or performance of this Agreement or the other agreements and instruments to be executed and delivered by such Party (A) conflict with (or will conflict with) or result in a breach under (or will result in a breach under) the charter documents or any material contractual undertaking of such Party or its Affiliates; or (B) conflict with (or will conflict with) or result in a violation of (or will result in a violation of) any of the laws of the jurisdiction of incorporation of such Party.

(vi) Title. It has good and marketable title to or valid leases or licenses for, all of its properties, rights and assets necessary for the fulfillment of its responsibilities under this Agreement, subject to no claim of any Third Party.

(b) MYRIAD represents and warrants to MONSANTO that as of the date of this Agreement:

(i) unless otherwise disclosed to MONSANTO in writing as of the date hereof, MYRIAD is the sole owner of, or the exclusive worldwide licensee of, the MYRIAD Patents and Technology licensed to MONSANTO under this Agreement and/or otherwise used in connection with the Research Program, free and clear of any liens or encumbrances which would prevent or impair the grant of such license.

(ii) MYRIAD has the right and power to enter into this Agreement and grant the licenses granted to MONSANTO under this Agreement in the manner set forth in this Agreement.

(iii) unless otherwise disclosed to MONSANTO in writing as of the date hereof, MYRIAD Patents and Technology sublicensed to MONSANTO under this Agreement are licensed to MYRIAD in a manner sufficient to permit MYRIAD to grant the sublicenses to MONSANTO hereunder, all fees and other payments in respect of such licenses have been duly made by MYRIAD and MYRIAD has not breached in any material respect the terms of any such license.

(iv) MYRIAD has not assigned or conveyed any interest in the MYRIAD Patents or MYRIAD Technology licensed to MONSANTO under this Agreement, or entered into any agreement or made any commitment, which is inconsistent with or in derogation of the licenses granted to MONSANTO hereunder.

(v) The execution, delivery and performance by MYRIAD of this Agreement does not require the consent of any Third Party.

(vi) There are no material adverse proceedings, claims or actions pending, or to the best of such its knowledge, threatened, relating to the MYRIAD Technology or MYRIAD Patents as of the Effective Date of this Agreement which would materially interfere with MYRIAD's performance of its obligations under this Agreement. Further, MYRIAD has disclosed, and shall disclose to MONSANTO any material adverse proceedings, claims or action that have arisen or that may arise and come to its knowledge, relating to such MYRIAD Technology or MYRIAD Patents, which would reasonably be expected to materially interfere with its performance of its obligations under this Agreement.

(vii) The MYRIAD Technology and the MYRIAD Patents comprise all proprietary rights necessary for the conduct of the Research Program as contemplated hereby, no loss or expiration of any MYRIAD Technology or MYRIAD Patent is threatened, pending or reasonably foreseeable, MYRIAD has not received any notices of, nor is MYRIAD aware of any facts which indicate a likelihood of, any infringement or misappropriation by, or conflict with, any Third Party with respect to any MYRIAD Technology or MYRIAD Patent including, without limitation, any demand or request that MYRIAD license rights from a Third Party which demand or request would reasonably be expected to materially interfere with MYRIAD's performance of its obligations under this Agreement. MYRIAD has not

infringed, misappropriated or otherwise conflicted with any rights of any Third Parties and MYRIAD is not aware of any infringement, misappropriation or conflict which shall occur as a result of the conduct of the Research Program as contemplated hereby, and to MYRIAD's knowledge, the MYRIAD Technology and MYRIAD Patents owned or licensed to MYRIAD have not been infringed, misappropriated or conflicted by any Third Party.

ARTICLE IX
INDEMNIFICATION

9.1 Indemnification of MYRIAD by MONSANTO. MONSANTO shall indemnify, defend and hold harmless MYRIAD and its affiliates and subcontractors, and their respective stockholders, directors, officers, employees, and agents and their respective successors, heirs and assigns (the "MYRIAD Indemnitees"), against any liability, damage, loss, settlement, cost or expense (including reasonable attorneys' fees and expenses of litigation) ("Losses") incurred by or imposed upon the MYRIAD Indemnitees, or any one of them, in connection with any claims, suits, actions, administrative proceedings, demands or judgments of third parties ("Claims"), including without limitation personal injury and product liability matters (except in cases where such Claims result from a material breach of this Agreement or negligence or willful misconduct on the part of MYRIAD or from or relating to any actions taken by or on behalf of MYRIAD with respect to MYRIAD Technology or MYRIAD Patents, or a defect in or infringement by such MYRIAD Technology or MYRIAD Patents), arising out of or related to (a) any actions of MONSANTO and its directors, officers, employees and agents and their respective successors, heirs and assigns in the performance of the Research Program, (b) the production, manufacture, promotion, sale or use by any person of any Licensed Product which is manufactured or sold by MONSANTO or by an Affiliate, sublicensee, distributor or agent of MONSANTO (other than MYRIAD or any Affiliate of MYRIAD's), (c) MONSANTO Baits or other materials provided by MONSANTO to MYRIAD in connection with the Research Program, or (d) the breach by MONSANTO of any provision of this Agreement.

9.2 Indemnification of MONSANTO by MYRIAD. MYRIAD shall indemnify, defend and hold harmless MONSANTO and its affiliates and subcontractors, and their respective stockholders, directors, officers, employees, and agents and their respective successors, heirs and assigns (the "MONSANTO Indemnitees"), against any Losses incurred by or imposed upon the MONSANTO Indemnitees, or any one of them, in connection with any Claims, including without limitation claims of suppliers and MYRIAD employees in the case of clause (a) below and personal injury and product liability matters in the case of clause (b) below (except in cases where such Claims result from a material breach of this Agreement or negligence or willful misconduct on the part of MONSANTO or from or relating to any actions taken by or on behalf of MONSANTO with respect to MONSANTO Technology or MONSANTO Patents, or a defect in or infringement by such MONSANTO Technology or MONSANTO Patents), arising out of or related to (a) any actions of MYRIAD and its directors, officers, employees and agents and their respective successors, heirs and assigns in the performance of the Research Program, (b) the production, manufacture, promotion, sale or use by any person of any Discontinued Product which is manufactured or sold by MYRIAD or an Affiliate, sublicensee, distributor or agent of MYRIAD (other than MONSANTO or any Affiliate of MONSANTO), (c) MYRIAD Technology or MYRIAD Patents or (d) the breach by MYRIAD of any provision of this Agreement.

9.3 Notice, Etc. Each Indemnitee agrees to give the indemnifying Party prompt written notice of any Claim, for which such Indemnitee intends to assert a right to indemnification under this Agreement; provided, however, that failure to give such notification shall not affect the Indemnitee's entitlement to indemnification hereunder except to the extent that the indemnifying Party shall have been prejudiced as a result of such failure. The indemnifying Party shall have the sole right (but not the obligation) to defend, settle or otherwise dispose of any Claim for which the Indemnitee intends to assert a right to indemnification under this Agreement as contemplated in the preceding sentence on such terms as the indemnifying Party, in its sole discretion, shall deem appropriate if and so long as the indemnifying Party has recognized in a written notice to the Indemnitee its obligation to indemnify the Indemnitee for any Losses relating to such Claim, and at the indemnifying party's option (subject to the limitations set forth below) shall be entitled to appoint lead counsel of such defense with a nationally recognized reputable counsel acceptable to the Indemnitee; provided, that the indemnifying party shall not have the right to assume control of such defense and shall pay the fees and expenses of counsel retained by the Indemnitee, if the claim which the indemnifying party seeks to assume control (i) seeks non-monetary relief, (ii) involves criminal or quasi-criminal allegations, (iii) involves a claim to which the Indemnitee reasonably believes an adverse determination would be detrimental to or injure the Indemnitee's reputation or future business prospects, or (iv) involves a claim which, upon petition by the Indemnitee, the appropriate court rules that the indemnifying party failed or is failing to vigorously prosecute or defend. If the indemnifying party is permitted to assume and control the defense and elects to do so, the Indemnitee shall have the right to employ counsel separate from counsel employed by the indemnifying party in any such action and to participate in the defense thereof, but the fees and

expenses of such counsel employed by the Indemnitee shall be at the expense of the Indemnitee unless (i) the employment thereof has been specifically authorized by the indemnifying party in writing, or (ii) the indemnifying party has been advised by counsel that a reasonable likelihood exists of a conflict of interest between the indemnifying party and the Indemnitee. If the Indemnifying Party shall control the defense of any such claim, the indemnifying Party shall obtain the written consent of the Indemnitee prior to ceasing to defend, settling or otherwise disposing of any Claim if as a result thereof the Indemnitee would become subject to injunctive or other equitable relief that could reasonably be expected to have a material adverse effect on the business of the Indemnitee in any nonmonetary manner.

ARTICLE X
DISPUTE RESOLUTION

10.1 Senior Officials. The Parties recognize that a bona fide dispute as to certain matters may from time to time arise during the term of this Agreement which relate to either Party's rights and/or obligations hereunder or thereunder. It is the objective of the Parties to establish procedures to facilitate the resolution of disputes arising under this Agreement in an expedient manner by mutual cooperation. To accomplish this objective, the Parties agree to follow the procedures set forth in this Article X if and when a dispute arises under this Agreement. In the event of the occurrence of such a dispute, either Party may, by notice to the other Party, have such dispute referred to their respective senior officials designated below or their successors, for attempted resolution by good faith negotiations within thirty (30) days after such notice is received. Said designated senior officials are as follows:

For MONSANTO: Head of Pharmaceutical Research and Development, Monsanto Company, or designee thereof

For MYRIAD: President, Myriad Genetics, Inc.

In the event the designated senior officials are not able to resolve such dispute within the thirty (30) day period, such dispute will be submitted to arbitration in accordance with Section 10.2 hereunder.

10.2 Arbitration. In the event that the parties cannot resolve any dispute hereunder as set forth above, the Parties shall submit the matter to arbitration as provided herein. Binding arbitration shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association. The arbitration panel shall be composed of three arbitrators, one of whom shall be chosen by MONSANTO, one by MYRIAD and the third by the two so chosen. If both or either of MYRIAD or MONSANTO fails to choose an arbitrator or arbitrators within fourteen (14) days after receiving notice of commencement of arbitration or if the two arbitrators fail to choose a third arbitrator within fourteen (14) days after their appointment, then the President of the New York office of the American Arbitration Association shall, upon the request of both or either of the parties to the arbitration, appoint the arbitrator or arbitrators required to complete the board or, if he shall decline or fail to do so, such arbitrator or arbitrators shall be appointed by the Boston office of the American Arbitration Association.

(a) Within ten (10) days of the appointment of the full arbitration panel, the Parties shall exchange documents setting forth their final detailed proposals for resolution of the matter in dispute, together with a brief or other written memorandum supporting the merits of their final proposal. The arbitration panel shall promptly convene a hearing in (Boston, Massachusetts), at which time each Party shall have an agreed upon time to argue and present witnesses in support of its final proposal.

(b) The arbitration panel shall select the proposal which most closely reflects a commercially reasonable interpretation of the terms of this Agreement as the way to resolve the matter. In making their selection, the arbitrators shall not modify the terms or conditions of either Party's final proposal nor shall the arbitrators combine provisions from both final proposals. In making their selection, the arbitrators shall consider the terms and conditions of this Agreement, the relative merits of the final proposals, and the written and oral arguments of the Parties. In the event the arbitrators seek the guidance of the law of any jurisdiction, the law of the State of Delaware shall govern.

(c) The arbitrators shall make their decision known to both Parties as quickly as possible by delivering written notice of their decision to both Parties. The Parties shall agree in writing to comply with the proposal selected by the arbitration panel within five (5) days of receipt of such selection. The decision of the arbitrators shall be final and binding on the Parties, and specific performance may be ordered by any court of competent jurisdiction.

(d) The Parties shall bear their own costs in preparing for the arbitration and the costs of the arbitrators shall be equally divided between the Parties; provided that the arbitrators shall be entitled to award costs to the successful Party.

ARTICLE XI
MISCELLANEOUS

11.1 No Agency. Nothing contained in this Agreement or the other agreements and instruments to be executed and delivered by the Parties hereto shall be deemed to constitute MYRIAD or any of its Affiliates as agent or representative of MONSANTO for any purpose, or constitute MONSANTO or any of its Affiliates as agent or representative of MYRIAD for any purpose. The status of each of the Parties hereto with respect to the transactions contemplated by this Agreement is that of an independent contracting party acting for its own account.

11.2 Expenses. Except as otherwise specifically provided in this Agreement, each Party will pay its own expenses incident to this Agreement and the transactions contemplated hereby, including legal and other fees and disbursements.

11.3 Binding Effect. This Agreement shall be binding upon and inure to the benefit of each Party and its successors and permitted assigns upon the execution thereof by the Parties.

11.4 Notices. Notices hereunder shall be in writing and shall be delivered by telecopier, telex, international cable, air courier or air mail, postage prepaid, as follows:

To MONSANTO: MONSANTO Company
700 Chesterfield Parkway North
St. Louis, Missouri 63198
Telecopier: (314) 694-9009
Attention: Legal Department

To MYRIAD: Myriad Genetics, Inc.
320 Wakara Way
Salt Lake City, UT 84108
Telecopier: (801) 584-3640
Attention: President

With a copy to: Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.
One Financial Center
Boston, MA 02111
Telecopier: (617) 542-2241
Attention: Jonathan Kravetz, Esq.

Either Party may designate any other address for notices hereunder by written notice to the other Party given in accordance with this Section 11.4 at least ten (10) days prior to the effective date of such change. Notices shall be deemed given: (i) when delivered, in the case of personal delivery; or (ii) on the date transmitted, in the case of a telecopy, as evidenced by a dated confirmation report generated by the sending telecopy machine indicating successful transmission to the recipient's telecopier number.

11.5 Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner adverse to either Party. Upon such determination that any term or other provision hereof is invalid, illegal or incapable of being enforced, the Parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the extent that the transactions contemplated hereby are fulfilled to the extent possible.

11.6 Cooperation. The Parties shall cooperate with one another in signing such documents and instruments and taking such other reasonable and lawful action as may be necessary or appropriate in performing and carrying out the terms of this Agreement.

11.7 Amendments and Waivers. The Parties hereto may, by written agreement signed by each Party, modify any of the covenants or agreements or extend the time for the performance of any of the obligations contained in this Agreement. Any Party hereto may waive, by written instrument signed by such Party, any inaccuracies in the representations and warranties of the other Party or compliance by another Party with any of its obligations contained in this Agreement. This Agreement may be amended only by written instrument signed by the Parties hereto and any waiver relating to this Agreement must be in writing signed by the Party granting such waiver.

11.8 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

11.9 Entire Agreement. This Agreement, together with the exhibits hereto and thereto, and the agreements and instruments delivered pursuant hereto and thereto, contain the entire agreement between the Parties hereto, and supersede all prior agreements and undertakings between the Parties hereto relating to the subject matter hereof and thereof. No representation or warranty shall be deemed to have been made herein except for those representations and warranties expressly made herein.

11.10 Headings. The section headings contained in this Agreement are included for convenience only and form no part of the agreement between the Parties.

11.11 Assignment and Successors. This Agreement may not be assigned by either Party, except that each Party may assign this Agreement and the rights, obligations and interests of such Party, in whole or in part, to any of its Affiliates, to any purchaser of all or substantially all of its assets or to any successor corporation resulting from any merger or consolidation of such Party with or into such corporations or any Affiliate thereof.

11.12 Force Majeure. Neither MONSANTO nor MYRIAD shall be liable for failure of or delay in performing obligations set forth in this Agreement, and neither shall be deemed in breach of its obligations, if such failure or delay is due to natural disasters or any causes beyond the reasonable control of MONSANTO or MYRIAD. In event of such force majeure, the Party affected thereby shall use reasonable efforts to cure or overcome the same and resume performance of its obligations hereunder.

11.13 Parties in Interest. Except as provided herein, nothing in this Agreement, express or implied, is intended to confer on any person or entity other than the Parties hereto and their respective permitted sublicensees and assignees any rights or remedies under or by virtue of this Agreement, and no person or entity shall assert any rights as a Third Party beneficiary hereunder.

11.14 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without regard to Delaware's choice of law provisions.

11.15 Further Assurances. The Parties agree to duly execute and deliver, or cause to be duly executed and delivered, such further instruments and do and cause to be done such further acts and things, including, without limitation, the filing of such additional assignments, agreements, documents and instruments, that may be necessary or as any other party hereto may at any time and from time to time reasonably request in connection with this Agreement to carry out more effectively the provisions and purposes of, or to better assure and confirm unto such other party its rights and remedies under, this Agreement.

11.16 Bankruptcy. All rights and licenses granted under or pursuant to this Agreement are, and shall otherwise be, deemed to be, for purposes of Section 365(n) of the U.S. Bankruptcy Code, licenses of rights to "intellectual property" as defined under Section 101(52) of the U.S. Bankruptcy Code. The Parties to this Agreement shall retain and may fully exercise all of their respective rights and elections under the U.S. Bankruptcy Code. The Parties further agree that, in the event of the commencement of bankruptcy proceeding by or against a party licensor under the U.S. Bankruptcy Code, the licensee shall be entitled to a complete duplicate of (or complete access to, as appropriate) any such intellectual property and all embodiments of such intellectual property, and same, if not already in its possession, shall be promptly delivered to the licensee (a) upon any such commencement of a bankruptcy proceeding upon written request therefor by the licensee, unless the licensor elects to continue to perform all of its obligations under this Agreement, or (b) if not delivered under (a) above, upon the rejection of the Agreement by or

on behalf of the licensor upon written request therefor by the licensee, provided, however, that upon the licensor's (or its successor's) written notification to the licensee that it is again willing and able to perform all of its obligations under this Agreement, the licensee shall promptly return all such tangible materials to the licensor, but only to the extent that the licensee does not require continued access to such materials to enable the licensee to perform its obligations under this Agreement.

* * * * *

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed on its behalf by its duly authorized representative.

MONSANTO COMPANY

By: /s/ Philip Needleman, Ph.D.

Name: Philip Needleman, Ph.D.

Title: President, Searle

MYRIAD GENETICS, INC.

By: /s/ Peter D. Meldrum

Name: Peter D. Meldrum

Title: President & C.E.O.

Exhibit 10.10

November 30, 1998

Myriad Genetics, Inc.
320 Wakara Way
Salt Lake City, Utah 84109

Re: Letter Amendment to the Collaborative Research and License Agreement

Gentlemen:

This letter constitutes an amendment of the Collaborative Research and License Agreement dated September 11, 1995 between Bayer Corporation ("Bayer") and Myriad Genetics, Inc. ("Myriad") as previously amended by the Amendment and Supplement to Collaborative Research and License Agreement dated November 19, 1997 and the letter agreement dated October 29, 1998 (such agreement, as previously amended, being referred to herein at the "1995 Agreement, as Amended").

Bayer and Myriad hereby agree to continue the Research Term as to the [ ] Field [ ] and to provide for an extension of the Research Term with respect to [ ] in the Original Research Field beyond the current cut-off date of September 10, 2000, on the following terms and conditions:

1. The [ ] Field shall remain part of the Research Program, and the Research Term as to the [ ] Field will continue up to and including September 10, 2000.

2. In consideration for including the [ ] Field in the Research Program [ ], Bayer shall pay to Myriad an additional one-time payment of [ ] on or about January 1, 1999. For the year 2000, Bayer shall pay Myriad an additional [ ] in four equal installments of [ ] each, payable on January 1, 2000, April 1, 2000, July 1, 2000 and October 1, 2000. All the funds payable to Myriad under this Paragraph 2 shall be used by Myriad solely to fund the cost (including overhead) of carrying out the [ ] Field portion of the Research Program.

3. The Original Research Term shall be extended an additional two years up to and including September 10, 2002, with respect to [ ] of the indications in the Original Research Field. The selection of the [ ] to be so extended shall be made no later than July 10, 2000 at Bayer's sole discretion.

4. In consideration of the extension of the Original Research Term up to and including September 10, 2002, Bayer shall pay to Myriad [ ] with respect to each selected indication in each of the years 2001 and 2002 as follows. Payment for each indication shall be payable in advance in equal installments of [ ] commencing on January 1, and continuing on each April 1, July 1 and October 1 thereafter for the year 2001. For the year 2002, the payment shall be payable in advance in equal installments of [ ] commencing on January 1, and continuing on each April 1, July 1, and September 1. All funds payable to Myriad under this Paragraph 4 shall be used by Myriad solely to fund the cost (including overhead) in carrying out the Research Program with respect to the selected indication.

5. Paragraph 8 of the Amendment and Supplement to Collaborative Research and License Agreement shall be amended as follows:

In line 17, change "October 1" to -September 1--

6. All other provision of the 1995 Agreement, as Amended shall continue in full force and effect.

If the foregoing terms and conditions are acceptable to Myriad, please complete the acceptance below and return a signed original to us.

Very truly yours,

BAYER CORPORATION

By: /s/ Pamela Simonton

Title: V.P. Licensing & Acquisitions

ACCEPTED AND AGREED TO:

MYRIAD GENETICS, INC.

By: /s/ Peter D. Meldrum

Title: President & CEO

Date: 11/30/98

Exhibit 11.1

Myriad Genetics, Inc.
Statement Regarding Computation of Net Loss Per Share

	Three Months Ended		Six Months Ended	
	Dec. 31, 1998	Dec. 31, 1997	Dec. 31, 1998	Dec. 31, 1997
Net loss	($2,850,259)	($2,264,621)	($5,552,761)	($4,060,422)
Weighted average common shares outstanding	9,391,844	9,279,892	9,367,393	9,259,025
Shares used in computation	9,391,844	9,279,892	9,367,393	9,259,025
Net loss per share	($0.30)	($0.24)	($0.59)	($0.44)

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND CONDENSED CONSOLIDATED BALANCE SHEETS AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

6-MOS
JUN-30-1999
JUL-01-1998
DEC-31-1998
17,302,845
30,107,865
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14,960,050
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(5,552,761)
0
0
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(5,552,761)
(.59)
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